

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.

HOUSE COMMITTEE ON HOUSING AND URBAN DEVELOPMENT

April 25, 1991 Hearing Room D 8:00 a.m. Tape 75 - 76

MEMBERS PRESENT: Rep. Bob Repine, Chair Rep. Judy Bauman, Vice-Chair Rep. Marie Bell Rep. Rod Johnson Rep. Ron Sunseri

MEMBERS EXCUSED: Rep. Gail Shibley

MEMBERS ABSENT: Rep. Dave Mcteague

STAFF PRESENT: Janet McComb, Committee Administrator Kimberly Burt, Committee Assistant

MEASURES CONSIDERED: HB 3378 (WRK) HB 3380 (WRK) HB 3267 (PUB) HB 3415 (WRK) HB 3315 (WRK) HB 2471 (WRK)

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TAPE 75, SIDE A

005 CHAIR REPINE: Calls the hearing to order. (8:05 a.m.)

Roll Call: Representatives Sunseri & Repine answer "present".

PUBLIC HEARING ON HB 3380 Witnesses: Peter Grundfossen, Association of Oregon Housing Authorities Douglas Courson, Throgrimson Shidler Gates & Ellis Law Firm Jim McCoy, Community Development Director, Housing Authority and Community Services of Lane County, (HACSA)

CHAIR REPINE: We will operate as a subcommittee.

Staff submits SMS & revenue impact statement, (EXHIBIT A).

013 PETER GRUNDFOSSEN, ASSOCIATION OF OREGON HOUSING AUTHORITIES: The bill we are bringing before you has to do with conduit financing.

Under current law housing authorities are allowed to do conduit financing; by that we mean passing the proceeds of their tax free bond sales through to private and non-profit developers that may be subject to federal taxation.

There is a problem with the paper management of that process under the

existing law.

030 DOUGLAS COURSON, THORGRIMSON SHIDLER GATES & ELLIS LAW FIRM: Submits written testimony in support of HB 3380, (EXHIBIT B).

REP. JOHNSON arrives. (8:07 a.m.)

065 JIM MCCOY, COMMUNITY DEVELOPMENT DIRECTOR, HOUSING AUTHORITY AND COMMUNITY SERVICES AGENCY OF LANE COUNTY (HACSA): Submits written testimony in support of HB 3380, (EXHIBIT C).

REP. BELL arrives. (8:10 a.m.)

095 REP. SUNSERI: Will these be low interest rate loans?

MCCOY: Our rate is at 3%.

WORK SESSION ON HB 3380

118 MOTION: REP. SUNSERI moves HB 3380 to the floor with a do pass recommendation.

121 VOTE: In a roll call vote the motion carries unanimously. Member Excused: Rep. Shibley Members absent: Rep. Bauman, McTeague CARRIER: Rep. Bell

PUBLIC HEARING ON HB 3378 Witnesses: Peter Grundfossen, Association of Oregon Housing Authorities. Charles Kent, Northwest Housing Alternatives

Staff submits SMS, revenue & fiscal impact statements, (EXHIBIT D).

130 PETER GRUNDFOSSEN, ASSOCIATION OF OREGON HOUSING AUTHORITIES: Submits written testimony in support of HB 3378, (EXHIBIT E).

181 REP. SUNSERI: When the lease terminates, the property tax structure returns?

GRUNDFOSSEN: Yes, to it's former condition.

190 CHARLES KINDT, EXECUTIVE DIRECTOR, NORTHWEST HOUSING ALTERNATIVES: We develop low and moderate income housing and one of the biggest tools we have to develop significant projects is the low income housing tax credits available from the federal government that are administered by the Oregon Housing Agency.

One of our biggest problems is paying Oregon property tax; one way to successfully develop truly low income housing is through leasing it to or operating in partnership with a housing authority.

210 KINDT: The AG opinion that caused the current "flap" also says that this is a legislative oversight that must be remedied by the legislature; this is a house keeping issue and it was the original intent of the legislature to encourage and allow this kind of transaction.

Without this legislation we can't develop low to moderate income housing anywhere but in the City of Portland.

265 RICHARD WEINMAN, HOUSING & COMMUNITY DEVELOPMENT MANGER, CITY OF EUGENE: Submits & summarizes written testimony, (EXHIBIT F).

JIM MCCOY, LANE COUNTY HOUSING AUTHORITY: Submits written testimony in support of HB 3378, (EXHIBIT G).

This bill will allow housing authorities to be aggressive in meeting the housing needs of people who really need help.

WORK SESSION ON HB 3378

290 MOTION: REP. JOHNSON moves that HB 3378 be sent to the Committee on Ways and Means with a do pass recommendation.

CHAIR REPINE: I have received written testimony in support from the City of Salem, (EXHIBIT H).

295 VOTE: In a roll call vote the motion carries unanimously. Members Excused: Rep. Shibley Members Absent: Rep. Bauman & McTeague

PUBLIC HEARING ON 3267 Witnesses:Eleanor Gundran, Administrator, Board of Architect Examiners Ray Boucher, Vice-Chair, State Board of Architect Examiners

320 ELEANOR GUNDRAN, ADMINISTRATOR, BOARD OF ARCHITECT EXAMINERS: Submits written testimony in support of HB 3267, (EXHIBIT I).

There is an error in the drafting of the bill on page 2 line 39; the word "ownership" was deleted and without that wording in the bill the additional wording has no meaning.

This should read "those holding in majority ownership".

350 RAY BOUCHER, VICE-CHAIR, STATE BOARD OF ARCHITECTS EXAMINERS: Submits informative material, (EXHIBIT J).

These are housekeeping modifications to the legislation governing the practice of architecture in the State of Oregon; they were developed by the state board in concert with the Oregon Council of Architects.

370 BOUCHER: The first change deals with identification on drawings submitted to state or local building officials

Staff submits SMS & revenue impact statement, (EXHIBIT K).

400 CHAIR REPINE: I will close the public hearing on HB 3267.

WORK SESSION ON HB 3415

410 JANET MCCOMB, COMMITTEE ADMINISTRATOR: Explains (-1) amendments, (EXHIBIT L).

430 MOTION: REP. SUNSERI moves adoption of the (-1) amendments.

VOTE: Hearing no objection the motion carries.

432 MOTION: REP. JOHNSON moves HB 3415 as amended to the floor with a do pass recommendation.

436 VOTE: In a roll call vote the motion carries unanimously. Members Excused: Rep. Shibley Members Absent: Rep. Bauman & McTeague Carrier: Rep. Bell

WORK SESSION ON HB 3315

Staff submits revenue impact statement and letter of support from the homebuilders, (EXHIBIT M).

462 MOTION: REP. SUNSERI moves HB 3315 to the committee on Revenue & School

Finance with a do pass recommendation.

466 VOTE: In a roll call vote the motion carries unanimously. Members Excused: Rep. Shibley Members Absent: Rep. Bauman & McTeague

WORK SESSION ON HB 2471

Staff submits (-2) & (-3) amendments, (EXHIBIT N).

TAPE 76, SIDE A

050 MOTION: REP. SUNSERI moves the (-2) & (-3) amendments to HB 2471.

REP. JOHNSON: "Providing" appears in line 16 also.

On the (-2) the change occurs in line 14 & 16.

REP. BELL: I will accept that as a friendly amendment.

074 VOTE: Hearing no objection the motion carries.

REP. BAUMAN arrives (8:36 a.m.)

076 MOTION: REP. SUNSERI moves HB 2471 as amended to the floor with a do pass recommendation.

080 VOTE: In a roll call vote the motion carries unanimously. Members Excused: Shibley Members Absent: McTeague CARRIER: Repine

PUBLIC HEARING ON HB 3267

085 BOUCHER: Page 2, lines 3 - 12 are housekeeping items dealing with the use of the title "architect".

REP. BAUMAN leaves. (8:37 a.m.)

100 REP. BELL: Would this be upon request or for all retired architects?

BOUCHER: The language simply provides the board with the authority to develop the rules in support of the legislation.

REP. JOHNSON leaves. (8:40 a.m.)

BOUCHER: Lines 13 - 27 deal with recycling; the current legislation doesn't require a licensed professionals involvement unless there is a structural change.

This requires that a building that changes code classification also will require the attention of a licensed professional.

125 CHAIR REPINE: Would this also cross over to the professional engineer criteria that is an exception to architects?

GUNDRAN: Engineers, when doing engineer work, are exempt from the architects law; this would allow either an architect or an engineer to be involved.

BOUCHER: Line 32 through line 23 on page 23 is housekeeping; this provides that a majority of the ownership must be architects in order to call their business an architectural corporation.

This inserts "professional" to differentiate between general corporation and professional corporation.

There is clarification as to liability also.

171 BOUCHER: Section 5, lines 23 - 2 on page 4 is housekeeping; currently it is possible for architects to fail to renew their licenses in a timely manner for great long periods of time.

The last item is on page 4, line 4 - 10; in the State of Oregon the time between the reviews isn't long enough and this goes back to the original language, prior to 197 1.

This provides for four year terms rather than three year terms.

CHAIR REPINE: What are renewal fees?

GUNDRAN: \$75 per year.

235 STEPHEN KAFOURY, OREGON COUNCIL OF ARCHITECTS & ARCHITECTS AND ENGINEERS LEGISLATIVE COUNCIL OF OREGON: I have an amendment that hasn't been prepared but will be before the work session.

The state law has an exemption for personal services although it doesn't say how state and local governments should obtain personal service contracts, but that they are exempt from the bidding laws.

255 KAFOURY: We think that state and local governments should have more direction on how they go about hiring architects and engineers.

The amendment will be directing the AG to develop model rules for the use of state and local governments.

CHAIR REPINE: Are model rules similar to a check list of what governments would consider before obtaining services?

KAFOURY: Yes; they are modeled after the American Bar Association model rules that prescribe a qualification based selection process.

285 CHAIR REPINE: Did you discuss this with the witnesses that proceeded you?

KAFOURY: Yes, they are supportive of this concept; it is basically a non-controversial issue.

REP. BELL: Do these rules address in-state vs. out-of-state?

KAFOURY: No; most firms in Oregon depend on work in other states in order to exist.

If we gave Oregon architects preference for Oregon projects, it would hinder the reciprocity aspect with other states.

310 KAFOURY: There is some controversy within our association over section 3; we are having a meeting today to make a decision on that.

I would like an opportunity to come back with a comment on that when you hold a work session.

CHAIR REPINE: There is a technical flaw on page 2, line 39; it has been suggested that we insert, after the word "majority", "ownership,".

KAFOURY: That isn't a substantive change.

This talks about firms and there is no such thing in law as a firm; the term is used loosely and it is probably a good idea to drop that term.

350 KAFOURY: On the top of page two this talks about the "senior principals" of the firm and again there is no description of that in the business organization law.

MCCOMB: Page 2, line 32; if we drop firm do we exclude sole proprietorships?

KAFOURY: Yes, you would have to use "business corporation, sole proprietorship or partnership".

CHAIR REPINE: We will have LC look at this.

373 REP. BELL: Is the term "professional corporation" the same as a "PC"?

KAFOURY: That is why we are allowing organizations such as "professional corporations" to change to "general corporations" to limit liability.

400 CHAIR REPINE: Submits proposed amendments to HB 3381 for members approval, (EXHIBIT O).

We are adjourned. (8:55 a.m.)

Submitted by: Reviewed by:

Kimberly Burt Janet McComb Assistant Administrator

EXHIBIT SUMMARY:

A - HB 3380 SMS & revenue impact statement submitted by staff, pp 2 B - HB 3380 written testimony submitted by Courson, pp 1 C - HB 3380 written testimony submitted by McCoy, pp 1 D - HB 3378 SMS, revenue & fiscal impact statement submitted by staff, pp 3 E - HB 3378 written testimony submitted by Grundfossen, pp 6 F - HB 3378 written testimony submitted by Weinman, pp 1 G - HB 3378 written testimony submitted by McCoy, pp 2 H - HB 3378 written testimony submitted by Clark, pp 1 I - HB 3267 written testimony submitted by Gundran, pp 2 J - HB 3267 informative material submitted by Boucher, pp 4 K - HB 3267 SMS & revenue impact

statement submitted by staff, pp 2 L - HB 3415 (-1) amendments submitted  
by staff, pp 1 M - HB 3315 written testimony and revenue impact  
statement submitted by staff, pp 2 N - HB 2471 (-2) & (-3) amendments  
submitted by staff, pp 2 O - HB 3381 proposed amendments for members  
review submitted by REPINE, pp 1