Chapter 456

1973 REPLACEMENT PART

Housing; Building Code

DEFINITIONS

456.005 Definitions for ORS 456.005 to 456.720

HOUSING AUTHORITIES LAW

456.055 General definitions for ORS 456.055 to 456.230
456.060 Definition of "area of operation"
456.065 Definition of "housing project"
456.070 Declaration of necessity for establishment of housing authorities
456.075 Housing authorities created; declaration of need required before housing authority may function
456.080 Determination of need for housing authority
456.085 Adopting resolution declaring need for authority
456.090 Sufficiency of resolution; copy as evidence
456.095 Appointment and qualification of commissioners of housing authorities
456.100 Terms and compensation of commissioners
456.105 Organization; officers; quorum; employes; legal services
456.110 Removal of commissioner
456.115 Commissioners and employes may not have interest in project; disclosure of interest
456.120 Powers of authority as public corporation
456.122 Inapplicability of laws relating to other public bodies
456.125 Research, planning, construction and operation of housing projects
456.130 Investigations, hearings and recommendations of authority
456.135 Delegation of powers or duties
456.140 Joinder or cooperation of authorities
456.145 Eminent domain
456.150 Housing projects subject to local laws; consideration of other programs
456.155 Profit from projects prohibited; computing maximum rentals
456.160 Limitations as to rentals
456.165 Vested rights of creditors not affected by restrictions of ORS 456.155 and 456.160
456.170 Reports and recommendations by authority
456.175 Issuance of bonds; means for payment
456.180 Liability on bonds; debt limitation
456.185 Issuance of bonds; type, form and sale of bonds
456.190 Signatures validated; presumption of validity of bond
456.195 Attorney General's certificate of validity
456.197 Transfer of pledged funds to county treasurer for bond fund
456.200 Powers of authority in securing payment of bonds or lease obligations
456.205 Enforcing rights of obligee of an authority
456.210 Power of authority to confer additional rights upon obligee
456.215 Financial aid and cooperation of Federal Government
456.220 Exemption of property from process or judgment lien
456.225 Exemption of property of authority from taxation; payments in lieu of taxes
456.230 Bonds and income therefrom exempt from taxes
456.233 Transfer of housing authority from governing body to separate board
456.235 Dissolution of housing authorities

COOPERATIVE HOUSING PROJECTS

456.305 Definitions for ORS 456.305 to 456.325
456.310 Purpose; powers additional
456.315 Powers of state public bodies in aiding or cooperating on housing projects
456.320 Donations and loans to housing authority
456.325 Resolution to exercise powers
456.355 Definitions for ORS 456.355 to 456.370
456.360 Purpose; powers additional
456.365 Powers of city or county in aiding or cooperating on housing projects
456.370 Exercise of powers; authorization by ordinance

DEFENSE HOUSING PROJECTS

456.405 Definitions for ORS 456.405 to 456.455
456.410 Declaration of necessity; purpose; powers additional
456.415 Development and administration of projects; rights and immunities of housing authority
456.420 Determination of "national defense period"
456.425 Defense projects exempt from Housing Authorities Law during national defense period
456.430 Payments for services and facilities
456.435 Administration after national defense period
456.440 Cooperation with or agency for Federal Government; sale of housing projects
456.445 Scope of authorization for development and administration of defense housing projects
456.450 Cooperation of state public body with state and federal agencies
456.455 Bonds or other obligations of housing authority

VETERANS' LOCAL HOUSING

456.505 Veterans' housing by local agencies

HOUSING DIVISION
(Administration)

456.550 Policy
456.560 Housing Division established; administrator
456.570 Powers and duties of division
456.580 Additional powers of administrator
456.590 State Housing Council; membership; appointment; terms; officers; compensation and expenses
456.600 Functions of council
456.610 Housing Division Revolving Account; use of moneys; appropriation

(Financing of Low Income Housing)
456.615 Definitions for ORS 456.550 to 456.720
456.620 Duties of division under ORS 456.615 to 456.720
456.625 Powers of division
456.630 Services to qualified sponsors and institutions
456.635 Commitments of division on residential mortgage loans
456.640 Purchase of mortgage loans
456.645 Revenue bonds
456.650 Refunding bonds
456.655 When bonds not to be issued; required debt service reserve
456.660 Limit on bond amount
456.665 Bonds not obligation of division or state; bonds negotiable; interest exempt from state income tax
456.670 Bond date, maturity, interest rate, denomination, form, execution, payment, sale
456.675 Bond provisions and limits
456.680 Purchase of bonds by division
456.685 Bondholders' remedies
456.690 Loan authority of division
456.695 Housing required to comply with land use plans, zoning and other ordinances
456.700 Pledge and lien
456.705 Power of division in servicing mortgage loan
456.710 Payment of advances; use thereof; limitations
456.715 Insurance of loans
456.720 Housing Finance Fund

BUILDING CODE

456.750 Definitions for ORS 456.750 to 456.885
456.755 Purpose; scope of regulations
456.760 Permit required; fees
456.765 State agencies required to conform rules to building code
456.770 Duties of director
456.775 Application of building code
456.780 State Structural Code Advisory Board; members; term; chairman; quorum; compensation and expenses
456.785 Administrative Procedures Act application; publication of codes; amendments to code
456.790 State Building Code Administrator; duties; assistant; qualifications; duties
456.795 Distribution of code
456.800 Municipal building official; city enforcement of codes; county enforcement of codes
456.805 Definitions for ORS 456.805 to 456.835
456.810 Standards and qualifications for personnel
456.815 Certification of personnel training programs
456.820 Certification of personnel required
456.825 Application for certification; fee; certification content
456.830 Lapse of certification; application for certification after lapse
456.835 Revocation of certification
456.840 Review of plans and specifications to determine compliance; effect of approval
456.845 Rulings on acceptability of material, design or method of construction; effect of approval
456.850 Appeal to advisory boards
456.855 Validity of certain building permits
456.860 Surcharge on municipal building permit fees; collection; deposit
456.865 Duration of effect of ORS 456.870
456.870 Temporary rules
456.875 Authorized substitutions in codes adopted by reference
456.880 Reciprocity for prefabricated structures
456.885 Prohibited acts; penalty
456.890 Building Code Account

CROSS REFERENCES

County housing codes, 215.605 to 215.615
Discrimination in selling, leasing or renting real property prohibited, 659.033
Federal audit reports of certain funds to be accepted by Secretary of State, 297.626
Rules and procedures of state administrative agencies, Ch. 183
State Merit System, Ch. 240
Urban renewal and redevelopment of deteriorated and blighted areas, Ch. 457

456.125

Planning assistance, 351.260
Safety standards for installation of glass or plastic in building openings, 447.150
Structures of public assembly, approving certain plans for, 460.230

456.135

Transfer of housing authority of city to separate board, 456.233

456.175

Bond records and funds, county treasurer to manage upon request, 208.200 to 208.220
Borrowing and bonds of districts, 287.010, 287.012

456.195

Determination of legality of public corporation and its acts and proceedings, 33.710, 33.720

456.560

Department of Commerce, 184.520

456.780

Initial terms for appointees, 1973 c.834 §8

456.890

Transfer of funds from Electrical Regulation Account, Regulation Account and State Plumbing Board Account, 1973 c.834 §45

DEFINITIONS

456.005 Definitions for ORS 456.005 to 456.720. As used in ORS 456.005 to 456.720:

(1) "Authority" or "housing authority" means any public corporation created under ORS 456.075 to 456.090.

(2) "Federal Government" includes the United States of America and any agency or instrumentality, corporate or otherwise, of the United States of America.

(3) "Housing Authorities Law" means ORS 456.055 to 456.230.

HOUSING AUTHORITIES LAW

456.055 General definitions for ORS 456.055 to 456.230. As used in the Housing Authorities Law, unless the context requires otherwise:

(1) "Bonds" means any bonds, notes, interim certificates, debentures or other obligations issued by an authority pursuant to the Housing Authorities Law.

(2) "The city" means the particular city included within a particular housing authority.

(3) "Clerk" means the recorder of the city or the clerk of the county, as the case may be, or the officer of the city or the county, respectively, charged with the duties customarily imposed on such clerk.

(4) "County" means any county in the state. "The county" means a particular county or counties for which a particular housing authority is created.

(5) "Governing body" means, in the case of a city, the common council or other legislative body thereof, and, in the case of a county, the county court or other legislative body thereof.

(6) "Housing authority" or "authority" includes a regional housing authority created under ORS 456.140.

(7) "Mayor" means the mayor of the city or the officer thereof charged with the duties customarily imposed on the mayor or executive head of the city.

(8) "Obligee of the authority" or "obligee" includes any bondholder or trustee for any bondholders, or lessor demising to the authority property used in connection with a housing project, or any assignee of such lessor's interest or any part thereof, and the Federal Government when it is a party to any contract with the authority.

(9) "Person of lower income" and "family of lower income" means a person or a family, residing in this state, who cannot obtain in the open market, decent, safe and sanitary housing, including the costs of utilities and taxes, for 25 percent of the gross income of such person or family.

(10) "Real property" includes all lands, including improvements and fixtures thereon, and property of any nature appurtenant thereto, or used in connection therewith, and every estate, interest and right, legal or equitable, therein, including terms for years and liens by way of judgment, mortgage or otherwise and the indebtedness secured by such liens.

(11) "Slum" means any area where dwellings predominate which, by reason of dilapidation, overcrowding, faulty arrangement or design, lack of ventilation, light or sanitary facilities, or any combination of these factors, are detrimental to safety, health or morals.

[Amended by 1971 c.471 §1; 1973 c.672 §1]

456.060 Definition of "area of operation." As used in the Housing Authorities Law, unless the context requires otherwise, "area of operation" includes:

(1) In the case of a housing authority including a city having a population of less than 10,000, such city and the area within five miles of the territorial boundaries thereof, excepting any area which lies within the territorial boundaries of some other city; and

(2) In the case of a housing authority including a city having a population of 10,000 or more, such city and the area within 10 miles from the territorial boundaries thereof, excepting any area which lies within the territorial boundaries of some other city; and

(3) In the case of a housing authority including a county, all of the county except that portion which lies within the territorial boundaries of any city. However, an authority including a county may operate in the area of any city within the county with the consent of the city governing body.

[Amended by 1973 c.672 §2]

456.065 Definition of "housing project." As used in the Housing Authorities Law, unless the context requires otherwise, "housing project" means any work or undertaking:

(1) To demolish, clear or remove buildings from any slum area. Such work or undertaking may embrace the adaptation of such area to public purposes, including parks or other recreational or community purposes.

(2) To provide decent, safe and sanitary urban or rural dwellings, apartments or other living accommodations for persons or families of lower income. Such work or undertaking may include buildings, land, equipment, facilities and other real or personal property for necessary, convenient or desirable appurtenances, streets, sewers, water service, parks, site preparation, gardening, administrative, community, health, recreational, educational, welfare or other purposes.

(3) To accomplish a combination of the projects listed in subsections (1) and (2) of this section, but it may also be applied to the planning of the buildings and improvements, the acquisition of property, the demolition of existing structures, the construction, reconstruction, alteration and repair of the improvements and all other work in connection therewith.

[Amended by 1973 c.672 §3]

456.070 Declaration of necessity for establishment of housing authorities. It hereby is declared:

(1) That there exist in the state insanitary or unsafe dwelling accommodations and that persons and families of lower income are forced to reside in such insanitary or unsafe accommodations.

(2) That within the state there is a shortage of safe or sanitary dwelling accommodations available at rents which persons and families of lower income can afford and that such persons and families are forced to occupy overcrowded and congested dwelling accommodations.

(3) That the conditions stated in subsections (1) and (2) of this section cause an increase in and spread of disease and crime and constitute a menace to the health, safety, morals and welfare of the residents of the state and impair economic values and that these conditions necessitate excessive and disproportionate expenditures of public funds for crime prevention and punishment, public health and safety, fire and accident protection and other public services and facilities.

(4) That slum areas in the state cannot be cleared, nor can the shortage of safe and sanitary dwellings for persons and families of lower income be relieved, through the operation of private enterprise, and that the construction of housing projects for persons and families of lower income would therefore not be competitive with private enterprise.

(5) That the clearance, replanning and reconstruction of the areas in which insanitary or unsafe housing conditions exist and the providing of safe and sanitary dwelling accommodations for persons and families of lower income are public uses and purposes for which public money may be spent and private property acquired and are governmental functions of state concern.

(6) That it is in the public interest that work on projects for such purposes be commenced as soon as possible in order to relieve unemployment which now constitutes an emergency.

(7) As a matter of legislative determination, that there is a necessity in the public interest for the Housing Authorities Law.

[Amended by 1973 c.672 §4]

456.075 Housing authorities created; declaration of need required before housing authority may function. In each city, as defined in ORS 456.055, and county there hereby is created a public body corporate and politic to be known as the "housing authority" of the city or county. However, the housing authority shall not transact any business or exercise its powers until or unless the governing body of the city or the county, by proper resolution, declares that there is need for an authority to function in such city or county. In the case of a city the governing body thereof shall also elect to have the powers of a housing authority exercised in any one of the two ways provided in subsection (1) of ORS 456.095.

[Amended by 1969 c.630 §2]

456.080 Determination of need for housing authority. (1) The determination of whether there is a need for a housing authority to function in a city or county may be made by the governing body on its own motion or, if a petition is filed with the governing body stating that there is a need for a housing authority to function and if the petition bears the signatures of not less than two percent of the number of votes cast in that city or county for the candidate for the Supreme Court receiving the highest vote at the last general election, the governing body shall submit the question of whether there is a need for a housing authority to function in that city or county to the legal voters of such city or county at any general election, or at any special election called for that purpose.

(2) If the majority vote at any such election is in favor of the functioning of the housing authority, the governing body shall declare that there is need for such housing authority to function.

(3) The question of need shall not again be submitted at any special election within one year immediately following the election at which voted upon.

456.085 Adopting resolution declaring need for authority. (1) The governing body shall adopt a resolution declaring that there is need for a housing authority in the city or county, if it finds:

(a) That insanitary or unsafe inhabited dwelling accommodations exist in such city or county.

(b) That there is a shortage of safe or sanitary dwelling accommodations in such city or county available to persons or families of lower income at rentals they can afford.

(2) In determining whether dwelling accommodations are unsafe or insanitary, the governing body may take into consideration the degree of overcrowding, the percentage of land coverage, the light, air, space and access available to the inhabitants of such dwelling accommodations, the size and arrangement of the rooms, the sanitary facilities and the extent to which conditions exist in such buildings which endanger life or property by fire or other causes.

[Amended by 1973 c.672 §5]

456.090 Sufficiency of resolution; copy as evidence. (1) In any suit, action or proceeding involving the validity or enforcement of or relating to any contract of authority, the authority is conclusively deemed to have become established and authorized to transact business and exercise its powers upon proof of the adoption of a resolution by the governing body declaring the need for the authority. The resolution is deemed sufficient if it declares that there is a need for an authority and finds that either or both of the conditions enumerated in subsection (1) of ORS 456.085 exist in the city or county, in substantially the terms used in that subsection, no further detail being necessary.

(2) A copy of such resolution duly certified by the clerk shall be admissible in evidence in any suit, action or proceeding.

456.095 Appointment and qualification of commissioners of housing authorities. (1) When the governing body of a city or county adopts a resolution pursuant to ORS 456.085, the governing body may then elect to have the powers of a housing authority under this chapter exercised in any of the following ways:

(a) Appointing by resolution, a board or commission composed of five, seven or nine persons.

(b) Declaring, by resolution, that the governing body, itself, shall exercise the powers of a housing authority under this chapter. In the event that the governing body of a city has an even number of members, the mayor shall be included as a member whenever the governing body is exercising the powers of a housing authority. However, any act of the governing body acting as a housing authority shall be, and shall be considered, the act of the housing authority only and not of the governing body.

(2) When the governing bodies of two or more authorities join and co-operate with one another and create a regional authority to exercise all the powers conferred by the Housing Authorities Law, as authorized by ORS 456.140, the governing bodies of the cooperating cities and counties shall by resolution appoint a board or commission for the regional authority consisting of nine commissioners. The cooperating cities and counties shall each appoint an equal number of the commissioners and, if nine divided by the number of such cities and counties produces a fraction, then the commissioners appointed by such cities and counties shall appoint one commissioner so that nine commissioners in all are appointed.

(3) No commissioner of such an authority may be an officer or employe of any city or county for which the authority is created, unless he is a member of the governing body or one of the governing bodies.

(4) Commissioners appointed to the board shall include a variety of occupations.

(5) A certificate of appointment or reappointment of any commissioners shall be filed with the clerk of each of the cities and counties included in the authority. Such certificate shall be conclusive evidence of the due and proper appointment of a commissioner.

[Amended by 1969 c.630 §3; 1971 c.592 §1; 1973 c.672 §6]

456.100 Terms and compensation of commissioners. (1) The commissioners of a five-member authority who are first appointed shall serve for terms of one, two, three, four and five years, respectively, from the date of their appointment.

(2) The commissioners of a seven-member authority who are first appointed shall serve for terms of two for one year, two for two years, one of three years, one for four years and one for five years from the date of appointment.

(3) The commissioners of a nine-member authority who are first appointed shall serve for terms of two for one year, two for two years, two for three years, two for four years and one for five years from the date of appointment.

(4) Thereafter, commissioners shall be appointed by resolution in the same manner as their original appointment for a term of office of five years except that all vacancies shall be filled for the unexpired term. A commissioner shall hold office until his successor has been appointed and qualified.

(5) A commissioner shall receive no compensation for his services, but he shall be entitled to the necessary expenses, including traveling expenses, incurred in the discharge of his duties.

[Amended by 1973 c.672 §7]

456.105 Organization; officers; quorum; employes; legal services. (1) A majority of the commissioners of an authority shall constitute a quorum of the authority for the purpose of conducting its business and exercising its powers and for all other purposes.

(2) Except as otherwise provided in the Housing Authorities Law, action may be taken by the authority upon a vote of a majority of the commissioners present, a quorum being present, unless the bylaws of the authority require a larger number.

(3) The authority shall select a chairman and vice chairman from among its commissioners.

(4) An authority may employ a secretary (who shall be executive director), technical experts and such other officers, agents and employes, permanent and temporary, as it requires. It shall determine their qualifications, duties and compensation.

(5) For such legal services as it requires, an authority may, if it is not a regional authority, call upon the chief law officer of the city or the county or it may employ its own counsel and legal staff.

[Amended by 1973 c.672 §8]

456.110 Removal of commissioner. For inefficiency or neglect of duty or misconduct in office, a commissioner of an authority appointed pursuant to paragraph (a) of subsection (1) or subsection (2) of ORS 456.095 may be removed by the mayor or, in the case of an authority for a county, by the governing body of the county or, in the case of a regional authority, by the mayor of the city or the governing body of the county that appointed the commissioner. A commissioner shall not be removed until after he has been given a copy of the charges at least 10 days prior to the hearing thereon and had an opportunity to be heard in person or by counsel. In the event of the removal of any commissioner, a record of the proceedings, together with the charges and findings thereon, shall be filed in the office of the clerk for each city and county in the authority.

[Amended by 1969 c.630 §4; 1973 c.672 §9]

456.115 Commissioners and employes may not have interest in project; disclosure of interest. (1) No commissioner or employe of an authority shall acquire any interest in any housing project or in any property included or planned to be included in any project, nor shall he have any interest in any contract or proposed contract for materials or services to be furnished or used in connection with any housing project.

(2) If any commissioner or employe of an authority owns or controls an interest in any property included or planned to be included in any housing project, he immediately shall disclose the same in writing to the authority. Such disclosure shall be entered upon the minutes of the authority. Failure so to disclose such interest shall constitute misconduct in office.

456.120 Powers of authority as public corporation. An authority shall constitute a public body corporate and politic, exercising public and essential governmental functions, and having all the powers necessary or convenient to carry out and effectuate the purposes of the Housing Authorities Law. These powers shall be vested in the commissioners of the authority and shall include the following in addition to others

granted in the Housing Authorities Law:

(1) To sue and be sued.

(2) To have a seal and to alter the same at pleasure.

(3) To have perpetual succession.

(4) To make and execute contracts and other instruments necessary or convenient to the exercise of the powers of the authority.

(5) To make and from time to time amend and repeal bylaws, rules and regulations, not inconsistent with the Housing Authorities Law, to carry into effect the powers and purposes of the authority.

(6) To arrange or contract for the furnishing by any person or agency, public or private, of services, privileges, works or facilities for, or in connection with, a housing project or the occupants thereof.

(7) Notwithstanding any laws to the contrary, to include in any contract let in connection with a project, stipulations requiring that the contractor and any subcontractors comply with requirements as to minimum wages and maximum hours of labor, and comply with any conditions which the Federal Government attaches to its financial aid of the project.

(8) To lease or rent any dwellings, houses, accommodations, lands, buildings, structures or facilities embraced in any housing project and, subject to the limitations of the Housing Authorities Law, to establish and revise the rents or charges therefor.

(9) To own, hold and improve real or personal property.

(10) To purchase, lease, obtain options upon, acquire by gift, grant, bequest, devise or otherwise any real or personal property or any interest therein.

(11) To sell, lease, exchange, transfer, assign, pledge or dispose of any real or personal property or any interest therein.

(12) To insure or provide for the insurance of any real or personal property or operations of the authority against any risks or hazards.

(13) To procure insurance or guarantees from the Federal Government of the payment of any debts or parts thereof, whether or not incurred by said authority, secured by mortgages on any property included in any of its housing projects.

(14) To invest any funds held in reserves or sinking funds, or any funds not required for immediate disbursement, in property or securities in which savings banks may legally invest funds subject to their control.

(15) To purchase its bonds at a price not more than the principal amount thereof and accrued interest, all bonds so purchased to be canceled.

(16) To exercise all or any part or combination of powers granted in the Housing Authorities Law.

456.122 Inapplicability of laws relating to other public bodies. Unless specifically provided, no law with respect to the acquisition, operation or disposition of property by other public bodies applies to a housing authority.

456.125 Research, planning, construction and operation of housing projects. Within its area of operation, a housing authority may:

(1) Investigate into living, dwelling and housing conditions and into the means and methods of improving such conditions.

(2) Determine where slum areas exist or where there is a shortage of decent, safe and sanitary dwelling accommodations for persons or families of lower income.

(3) Make studies and recommendations relating to the problem of clearing, replanning and reconstructing of slum areas and the problem of providing dwelling accommodations for persons or families of lower income. An authority may cooperate with the city, county or state or any of their political subdivisions in action taken in connection with such problems.

(4) Engage in research, studies and experimentation on the subject of housing.

(5) Prepare, carry out, acquire, lease and operate housing projects.

(6) Provide for the construction, reconstruction, improvement, alteration or repair of any housing project or any part thereof. [Amended by 1973 c.672 §10]

456.130 Investigations, hearings and recommendations of authority. Any authority, acting through one or more commissioners or other persons designated by the

authority, may:

(1) Conduct examinations and investigations and hear testimony and take proof under oath at private or public hearings on any matter material for its information.

(2) Administer oaths, issue subpenas requiring the attendance of witnesses or the production of books and papers and issue commissions for the examination of witnesses who are outside the state or unable to attend before the authority or excused from attendance.

(3) Make available to appropriate agencies, including those charged with the duty of abating or requiring the correction of nuisances or like conditions, or of demolishing unsafe or insanitary structures within the area of operation, its findings and recommendations with regard to any buildings or property where conditions exist which are dangerous to the public health, morals, safety or welfare.

456.135 Delegation of powers or duties. An authority may delegate to one or more of its agents or employes such powers or duties as it deems proper.

456.140 Joinder or cooperation of authorities. Any two or more authorities may join or cooperate with one another in the exercise of any or all of the powers conferred by the Housing Authorities Law for the purpose of financing, planning, undertaking, constructing or operating a housing project or projects located within the area of operation of one or more of the authorities.

456.145 Eminent domain. (1) An authority may acquire, by the exercise of the power of eminent domain, any real property which it deems necessary for its purposes after adoption by it of a resolution declaring that the acquisition of the real property described therein is necessary for such purposes. An authority may exercise the power of eminent domain in the manner provided for in the laws of this state for the condemnation of lands or rights of way by public or quasi-public corporations for public use or for corporate purposes; or in the manner provided by law for the appropriation of real property, or rights therein or thereto, by private corporations; or in the manner provided by any other applicable statutory provisions for the exercise of the power of eminent domain.

(2) Property already devoted to a public use may be acquired in like manner, but no real property belonging to the city, the county, the state or any political subdivision thereof may be acquired without its consent.

456.150 Housing projects subject to local laws; consideration of other programs. (1) All housing projects of an authority shall be subject to the planning, zoning, sanitary and building laws, ordinances and regulations applicable to the locality in which the housing project is situated.

(2) In the planning and location of any housing project, an authority shall take into consideration the relationship of the project to any larger plan or long-range program for the development of the area in which the housing authority functions.

456.155 Profit from projects prohibited; computing maximum rentals. (1) It hereby is declared to be the policy of this state that:

(a) Each housing authority shall manage and operate its housing projects in an efficient manner so as to enable it to fix the rentals for dwelling accommodations at the lowest possible rates consistent with its providing decent, safe and sanitary dwelling accommodations.

(b) No housing authority shall construct or operate any such project for profit, or as a source of revenue to the city or the county.

(2) To the end stated in subsection (1) of this section, an authority shall fix the rentals for dwellings in its projects at no higher rates than it finds to be necessary in order to produce revenues which, together with all other available moneys, revenues, income and receipts of the authority from whatever sources derived, will be sufficient:

(a) To pay, as they become due, the principal and interest on the bonds of the authority.

(b) To meet the cost of, and to provide for, the maintenance and operation of the projects, including the cost of any insurance, and the administrative expenses of the authority.

(c) To create, during not less than the six years immediately succeeding issuance of any bonds, a reserve sufficient to meet the largest principal and interest payments which will be due on such bonds in any one year thereafter and to maintain such reserve.

456.160 Limitations as to rentals. In the operation or management of housing projects an authority shall at all times observe the following duties with respect to rentals and tenant selection:

(1) It may rent or lease the dwelling accommodations therein only to persons or families of lower income.

(2) It may rent or lease the dwelling accommodations therein at rentals no higher than will provide total rental income sufficient to give financial stability to the housing authority.

(3) It may rent or lease to a tenant dwelling accommodations consisting of the number of rooms, but no greater number, which it deems necessary to provide safe and sanitary accommodations to the proposed occupants thereof without overcrowding.

[Amended by 1973 c.672 §11]

456.165 Vested rights of creditors not affected by restrictions of ORS 456.155 and 456.160. ORS 456.155 and 456.160 do not limit the power of an authority to vest in an obligee the right, in the event of a default by the authority, to take possession of a housing project or cause the appointment of a receiver thereof or acquire title thereto through foreclosure proceedings, free from all the restrictions imposed by those sections.

456.170 Reports and recommendations by authority. At least once a year, an authority shall file with the clerk of each city and county in the authority a report of its activities for the preceding year, and shall make recommendations with reference to such additional legislation or other action as it deems necessary in order to carry out the purposes of the Housing Authorities Law.

[Amended by 1973 c.672 §12]

456.175 Issuance of bonds; means for payment. (1) An authority may issue bonds from time to time in its discretion for any of its corporate purposes. An authority may also issue refunding bonds for the purpose of paying or retiring bonds previously issued by it.

(2) An authority may issue such types of bonds as it determines, including bonds of which the principal and interest are payable:

(a) Exclusively from the income and revenues of the housing project financed with the proceeds of such bonds, or with such proceeds together with a grant from the Federal Government in aid of such project.

(b) Exclusively from the income and revenues of certain designated housing projects whether or not they were financed in whole or in part with the proceeds of such bonds.

(c) From its revenues generally.

456.180 Liability on bonds; debt limitation. (1) Neither the commissioners of an authority nor any person executing the bonds shall be liable personally on the bonds by reason of the issuance thereof.

(2) The bonds and other obligations of an authority shall not be a debt of the city, the county, the state or any political subdivision thereof, and the bonds and obligations shall so state on their face. Neither the city, the county, nor the state or any political subdivision thereof shall be liable thereon. Nor, in any event, shall such bonds or obligations be payable out of any funds or properties other than those of the authority.

(3) The bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

456.185 Issuance of bonds; type, form and sale of bonds. (1) Bonds of an authority shall be authorized by its resolution adopted by a vote of a majority of the commissioners, and may be issued in one or more series. The bonds may be payable at the office of the county treasurer.

(2) The bonds shall bear such dates, mature at such times, bear interest at such rates not exceeding seven percent per annum, be in such denominations, be in such form, either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in such medium of payments, at such places, and be subject to such terms of redemption, with or without premium, as such resolution, its trust indenture or mortgage may provide. Each bond payable at the office of the county treasurer shall be registered in accordance with ORS 208.200 in the office of the county treasurer of the county where the authority is located.

(3) The bonds may be sold at not less than par at public sale held after notice published once at least five days prior to such

sale in a newspaper having a general circulation in the area of operation and in a financial newspaper published in San Francisco, California, or in New York, New York. However, the bonds may be sold at not less than par to the Federal Government at private sale without any public advertisement.
[Amended by 1969 c.694 §13; 1973 c.672 §13]

456.190 Signatures validated; presumption of validity of bond. (1) In case any of the commissioners or officers of the authority whose signatures appear on any bonds or coupons cease to be commissioners or officers before the delivery of such bonds, the signatures shall, nevertheless, be valid and sufficient for all purposes, the same as if the commissioners or officers had remained in office until delivery. Any law to the contrary notwithstanding, bonds issued pursuant to the Housing Authorities Law are fully negotiable.

(2) In any suit, action or proceedings involving the validity or enforceability of any bond of an authority or the security therefor, any such bond reciting in substance that it has been issued by the authority to aid in financing a housing project to provide dwelling accommodation for persons or families of lower income is conclusively deemed to have been issued for a housing project of such character and said project is conclusively deemed to have been planned, located and constructed in accordance with the Housing Authorities Law.
[Amended by 1973 c.672 §14]

456.195 Attorney General's certificate of validity. (1) An authority may submit to the Attorney General any bonds to be issued under the Housing Authorities Law after all proceedings for the issuance of such bonds have been taken. Upon the submission of such proceedings to the Attorney General, he shall examine into and pass upon the validity of such bonds and the regularity of all proceedings in connection therewith.

(2) If such proceedings conform to the Housing Authorities Law and are otherwise regular in form and if such bonds, when delivered and paid for, will constitute binding and legal obligations of the authority, enforceable according to the terms thereof, the Attorney General shall certify in substance upon the back of each bond that it is issued in accordance with the Constitution and laws of the State of Oregon.

456.197 Transfer of pledged funds to county treasurer for bond fund. If bonds are payable at the office of a county treasurer, the revenues, income and receipts of the authority from whatever source derived shall be deposited by the authority with the county treasurer and credited to a bond fund to the extent necessary to comply with paragraphs (a) and (c) of subsection (2) of ORS 456.155.
[1969 c.694 §15; 1973 c.672 §15]

456.200 Powers of authority in securing payment of bonds or lease obligations. In connection with the issuance of bonds or the incurring of obligations under leases and in order to secure the payment of such bonds or obligations, an authority may:

(1) Pledge all or any part of its gross or net rents, fees or revenues to which its right then exists or thereafter comes into existence.

(2) Mortgage its real or personal property, then owned or thereafter acquired.

(3) Covenant against pledging all or any part of its rents, fees and revenues, or against mortgaging all or any part of its real or personal property to which its right or title then exists or may thereafter come into existence or against permitting or suffering any lien on such revenues or property.

(4) Covenant with respect to limitations on its right to sell, lease or otherwise dispose of any housing project or any part thereof.

(5) Covenant as to what other or additional debts or obligations may be incurred by it.

(6) Covenant as to the bonds to be issued and as to the issuance of such bonds in escrow or otherwise, and as to the use and disposition of the proceeds thereof.

(7) Provide for the replacement of lost, destroyed or mutilated bonds.

(8) Covenant against extending the time for the payment of its bonds or interest thereon.

(9) Redeem the bonds and covenant for their redemption and provide the terms and conditions thereof.

(10) Covenant, subject to the limitations of the Housing Authorities Law, as to the rents and fees to be charged in the operation of a housing project or projects, the amount to be raised each year or other period of time by rents, fees and other revenues, and as to the use and disposition to be made thereof.

(11) Create or authorize the creation of

special funds for moneys held for construction or operating costs, debt service, reserves or other purposes, and covenant as to the use and disposition of the moneys held in such funds.

(12) Prescribe the procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amount of bonds the holders of which must consent thereto and the manner in which such consent may be given.

(13) Covenant as to the use, maintenance and replacement of its real and personal property, the insurance to be carried thereon and the use and disposition of insurance moneys.

(14) Covenant as to the rights, liabilities, powers and duties arising upon the breach by it of any covenant, condition or obligation.

(15) Covenant and prescribe as to events of default and terms and conditions upon which any or all of its bonds or obligations become or may be declared due before maturity, and as to the terms and conditions upon which such declaration and its consequences may be waived.

(16) Vest in a trustee or trustees or the holders of bonds or any proportion of them the right to enforce the payment of the bonds or any covenants securing or relating to the bonds.

(17) Vest in a trustee or trustees the right, in the event of a default by said authority, to take possession and use, operate and manage any housing project or part thereof, and to collect the rents and revenues arising therefrom and to dispose of such moneys in accordance with the agreement of the authority with said trustee.

(18) Provide for the powers and duties of a trustee or trustees and to limit their liabilities.

(19) Provide the terms and conditions upon which the trustee or trustees or the holders of bonds or any proportion of them may enforce any covenant or rights securing or relating to the bonds.

(20) Exercise all or any part or combination of the powers granted in this section.

(21) Make covenants other than and in addition to the covenants expressly authorized in this section, of like or different character.

(22) Make any covenants and do any acts and things necessary or convenient or desirable in order to secure its bonds, or, in the absolute discretion of said authority, tending to make the bonds more marketable although the covenants, acts or things are not enumerated in this section.

456.205 Enforcing rights of obligee of an authority. An obligee of an authority, in addition to all other rights conferred on him, subject only to any contractual restrictions binding upon him, may:

(1) By mandamus, suit, action or proceeding at law or in equity, compel the authority and its commissioners, officers, agents or employes to perform each and every term, provision and covenant contained in any contract of the authority with or for the benefit of such obligee, and require the carrying out of all covenants and agreements of the authority and the fulfillment of all duties imposed upon the authority by the Housing Authorities Law.

(2) By suit, action or proceeding in equity, enjoin any acts or things which may be unlawful, or the violation of any of his rights.

456.210 Power of authority to confer additional rights upon obligee. An authority, by its resolution, trust indenture, mortgage, lease or other contract, may confer upon any obligee holding or representing a specified amount in bonds, or holding a lease, the right, in addition to all rights that may otherwise be conferred, upon the happening of an event of default as defined in such resolution or instrument, by suit, action or proceeding in any court of competent jurisdiction:

(1) To cause possession of any housing project or any part thereof to be surrendered to an obligee.

(2) To obtain the appointment of a receiver of any housing project of the authority or any part thereof and of the rents and profits therefrom. If a receiver is appointed, he may enter and take possession of the housing project or any part thereof and operate and maintain it and collect and receive all fees, rents, revenues or other charges thereafter arising therefrom, and shall keep such moneys in separate accounts and apply them in accordance with the obligations of the authority as the court directs.

(3) To require the authority and its commissioners to account as if it and they were the trustees of an express trust.

456.215 Financial aid and cooperation of Federal Government. (1) An authority may:

(a) Borrow money or accept grants or other financial assistance from the Federal Government for or in aid of any housing project within its area of operation.

(b) Take over or lease or manage any housing project or undertaking constructed or owned by the Federal Government.

(c) Comply with such conditions and enter into such mortgages, trust indentures, leases or agreements as may be necessary, convenient or desirable for the purposes of this subsection.

(2) It is the purpose and intent of the Housing Authorities Law to authorize every authority to do all things necessary or desirable to secure the financial aid or cooperation of the Federal Government in the undertaking, construction, maintenance or operation of any housing project by such authority.

456.220 Exemption of property from process or judgment lien. All real property of an authority is exempt from levy and sale by virtue of an execution. No execution or other judicial process shall issue against such property nor shall any judgment against an authority be a charge or lien upon its real property. However, this section does not apply to or limit the right of obligees to foreclose or otherwise enforce anv mortgage of an authority or the right of obligees to pursue any remedies for the enforcement of any pledge or lien given by an authority on its rents, fees or revenues.

456.225 Exemption of property of authority from taxation; payments in lieu of taxes. The property of an authority is declared to be public property used for essential public and governmental purposes and such property and an authority shall be exempt from all taxes and special assessments of the city, the county, the state or any political subdivision thereof. In lieu of such taxes or special assessments, an authority may agree to make payments to the city, county or any such political subdivision for improvements, services and facilities furnished by such city, county or political subdivision for the benefit of a housing project, but in no event shall such payments exceed the estimated cost to the city, county or political subdivision of the improvements, services or facilities to be so furnished.

456.230 Bonds and income therefrom exempt from taxes. Bonds of an authority are declared to be issued for an essential public and governmental purpose and to be public instrumentalities. The bonds, together with interest thereon and income therefrom, are exempt from taxes.

456.233 Transfer of housing authority from governing body to separate board. If, pursuant to ORS 456.005 to 456.720, the governing body in a city has declared, by resolution, that the governing body itself shall exercise the powers of a housing authority under said chapter, the governing body may thereafter, by resolution, elect to transfer such powers and the authority to act as the housing authority to any other body which may be designated by ORS chapter 456 to exercise such powers. The governing body of the city may, by resolution, return the powers and authority to act as the housing authority to itself. All duties and obligations of the governing body as the housing authority of the municipality shall thereafter be assumed and performed by the body to which such powers and authority are transferred.

[1969 c.630 §1]

Note: 456.233 was not added to and made a part of 456.005 to 456.720 by legislative action.

456.235 Dissolution of housing authorities. (1) A housing authority may be dissolved upon a majority vote of its commissioners at any regular or special meeting of the commission whereof all the members of the commission have been notified. Except with the consent of the obligees of the housing authority to dissolution, no authority having outstanding bonds or indebtedness shall be dissolved unless the assets of the authority are sufficient to pay such bonds and indebtedness. A copy of the order or resolution of dissolution shall be filed with the clerk of the city or the county, as the case may be.

(2) Upon dissolution of an authority, the property and assets thereof not required for the liquidation of indebtedness of the authority shall vest in or be paid over to the city or the county for which the authority was created or, where a regional authority is dissolved, be paid over to the cities and counties in the authority in proportion to the population within each cooperating city and county according to the most recent determination under ORS 190.510 to 190.610; provided, that if the housing project be located

within an incorporated city, then such property and assets shall be paid over and delivered to such city, even though the authority may have been created by a county. Any moneys so received by the clerk shall be credited to the general fund of the city or the county, as the case may be.

(3) After voting for dissolution the authority shall be dissolved for all purposes, excepting, there shall be allowed a period of not to exceed three years after said vote for the liquidation of indebtedness and final settlement of its affairs.

[1953 c.716 §2; 1973 c.672 §16]

COOPERATIVE HOUSING PROJECTS

456.305 Definitions for ORS 456.305 to 456.325. As used in ORS 456.305 to 456.325, unless the context requires otherwise:

(1) "Governing body" means the common council, county court, board of county commissioners, board or other body having charge of the fiscal affairs of the state public body.

(2) "Housing project" means any work or undertaking of a housing authority pursuant to the Housing Authorities Law or any similar work or undertaking of the Federal Government.

(3) "State public body" means any city, town, county, municipality, commission, district, authority, other subdivision or public body of the state.

456.310 Purpose; powers additional. (1) It hereby is found and declared:

(a) That the assistance provided in ORS 456.315 and 456.320 for the remedying of the conditions set forth in the Housing Authorities Law is a matter of state concern and constitutes a public use and purpose and an essential governmental function for which public moneys may be spent and other aid given.

(b) That it is a proper public purpose for any state public body to aid any housing authority operating within its boundaries or jurisdiction or any housing project located therein, as the state public body derives immediate benefits and advantages from such an authority or project.

(c) That ORS 456.305 to 456.325 are necessary in the public interest.

(2) The powers conferred by ORS 456.305 to 456.325 are in addition and supplemental to the powers conferred by any other law.

456.315 Powers of state public bodies in aiding or cooperating on housing projects. For the purpose of aiding and cooperating in the planning, undertaking, construction or operation of housing projects located within the area in which it is authorized to act, any state public body may upon such terms, with or without consideration, as it may determine:

(1) Dedicate, sell, convey or lease any of its property to a housing authority or the Federal Government.

(2) Cause parks, playgrounds, recreational, community, educational, water, sewer or drainage facilities, or any other works which it may otherwise undertake, to be furnished adjacent to or in connection with housing projects.

(3) Furnish, dedicate, close, pave, install, grade, regrade, plan or replan streets, roads, roadways, alleys, sidewalks or other places which it may otherwise undertake.

(4) Plan or replan, zone or rezone any part of such state public body and make exceptions from building regulations and ordinances. Any city or town also may change its map.

(5) Enter into agreements with a housing authority or the Federal Government respecting action to be taken by such state public body pursuant to any of the powers granted by ORS 456.305 to 456.325.

(6) Do any and all things, necessary or convenient to aid and cooperate in the planning, undertaking, construction or operation of such housing projects.

(7) Purchase or legally invest in any of the bonds of a housing authority and exercise all the rights of any holder of such bonds.

(8) With respect to any housing project which a housing authority has acquired or taken over from the Federal Government and which the housing authority by resolution has found and declared to have been constructed in a manner that will promote the public interest and afford necessary safety, sanitation and other protection, no state public body shall require any changes to be made in the housing project or the manner of its construction or take any other action relating to such construction.

(9) In connection with any public improvements made by a state public body in exercising the powers granted in this section, a state public body may incur the entire expense thereof.

456.320 Donations and loans to housing authority. (1) When any housing authority becomes authorized to transact business and exercise its powers, the governing body of the city, town or county, as the case may be, shall immediately make an estimate of the amount of money necessary for the administrative expenses and overhead of the housing authority during the first year thereafter, and shall appropriate such amount to the authority out of any moneys in such city, town or county treasury not appropriated to some other purposes. The moneys so appropriated shall be paid to the authority as a donation.

(2) Any city, town, municipality or county located in whole or in part within the area of operation of a housing authority may lend or donate money to the authority or agree to take such action. The housing authority, when it has money available therefor, shall make reimbursements for all loans made to it.

456.325 Resolution to exercise powers. The exercise by a state public body of the powers granted in ORS 456.305 to 456.325 may be authorized by resolution of the governing body of such state public body adopted by a majority of the members of its governing body present at a meeting of the governing body. This resolution may be adopted at the meeting at which it is introduced. Such a resolution shall take effect immediately and need not be laid over or published or posted.

456.355 Definitions for ORS 456.355 to 456.370. As used in ORS 456.355 to 456.370, unless the context requires otherwise:

(1) "Governing body" means the governing body of any city or county.

(2) "Housing project" means any work or undertaking of a nonprofit sponsor or limited-dividend housing corporation for the purpose of operating, rehabilitating or constructing decent, safe and sanitary housing for families and individuals which cannot obtain such shelter in the open market for 25 percent of the gross family income.

(3) "Nonprofit housing sponsor" means any corporation not for profit organized under the provisions of ORS chapter 61 for the purpose of undertaking, constructing or operating a housing project, or authorized by its charter to undertake, construct or operate a housing project.

(4) "Limited-dividend housing corporation" means any corporation that qualifies as such under the Federal Housing and Urban Development Act of 1968.
[1969 c.185 §2]

456.360 Purpose; powers additional. (1) It hereby is found and declared:

(a) That the assistance provided by ORS 456.365 for the remedying of the conditions set forth in the Housing Authorities Law is a matter of state concern and constitutes a public use and purpose and an essential governmental function for which public moneys may be spent and other aid given.

(b) That it is a proper public purpose for any city or county to aid any nonprofit housing sponsor or limited-dividend housing corporation operating within its boundaries or jurisdiction or any housing project located therein, as the city or county derives immediate benefits and advantages from such an authority or project.

(c) That ORS 456.355 to 456.370 is necessary in the public interest.

(2) The powers conferred by ORS 456.355 to 456.370 are in addition and supplemental to the powers conferred by any other law.
[1969 c.185 §3]

456.365 Powers of city or county in aiding or cooperating on housing projects. For the purpose of aiding and cooperating in the planning, undertaking, construction or operation of housing projects located within the area in which it is authorized to act, any city or county may upon such terms, with or without consideration, as it may determine:

(1) Dedicate, sell, convey or lease any of its property to a nonprofit housing sponsor or limited-dividend housing corporation.

(2) Cause park, playground, recreational, community, educational, water, sewer or drainage facilities, or any other works which it may otherwise undertake, to be furnished adjacent to or in connection with housing projects.

(3) Furnish, dedicate, close, pave, install, grade, regrade, plan or replan public streets, roads, roadways, alleys, sidewalks or other places which it may otherwise undertake.

(4) Plan or replan, zone or rezone any part of the area within such city or county and make exceptions from building regulations and ordinances. Any city also may change its map.

(5) Enter into agreements with a nonprofit sponsor or limited-dividend housing corporation respecting action to be taken by such city or county pursuant to any of the powers granted by ORS 456.355 to 456.370.

(6) Do any and all things necessary or convenient to aid and cooperate in the planning, undertaking, construction or operation of such housing projects.

(7) In connection with any public improvements made by it in exercising the powers granted by this section, incur the entire expense thereof.
[1969 c.185 §4]

456.370 Exercise of powers; authorization by ordinance. The exercise by a city or county of the powers granted by ORS 456.355 to 456.370 may be authorized by ordinance of the governing body of the city or county adopted by a majority of the members of its governing body present at a meeting of the governing body. Persons particularly interested, and the general public, shall be given an opportunity to be heard at that meeting, and notice to the public of the time and place of said meeting and of the subject of the ordinance proposed for enactment shall be published in the same manner as required prior to final enactment of a zoning ordinance. The ordinance may be adopted or amended and adopted at such meeting, and if adopted shall take effect immediately and need not be laid over or published or posted.
[1969 c.185 §5]

DEFENSE HOUSING PROJECTS

456.405 Definitions for ORS 456.405 to 456.455. As used in ORS 456.405 to 456.455, unless the context requires otherwise:

(1) "Persons engaged in national defense activities" includes:

(a) Enlisted men in the military and naval services of the United States and employes of the Defense Department assigned to duty at military or naval reservations, posts or bases.

(b) Workers engaged or to be engaged in industries connected with and essential to the national defense program.

(c) The families of the persons listed in this subsection who are living with them.

(2) "Persons of low income" means persons or families who lack the amount of income which is necessary, as determined by the housing authority undertaking the housing project, to enable them, without financial assistance, to live in decent, safe and sanitary dwellings without overcrowding.

(3) "Development" means all undertakings necessary for the planning, land acquisition, demolition, financing, construction or equipment in connection with a project, including the negotiations or award of contracts therefor, and includes the acquisition of any project, in whole or in part, from the Federal Government.

(4) "Administration" means all undertakings necessary for management, operation or maintenance, in connection with any project, and includes the leasing of any project, in whole or in part, from the Federal Government.

(5) The development of a project shall be deemed to be "initiated" if a housing authority has issued any bonds, notes or other obligations with respect to financing the development of such project of the housing authority, or has contracted with the Federal Government with respect to the exercise of powers under ORS 456.405 to 456,455 in the development of such project of the Federal Government for which an allocation of funds has been made prior to December 31, 1947.

456.410 Declaration of necessity; purpose; powers additional. (1) It hereby is found and declared:

(a) That the national defense program involves large increases in the military forces and personnel in this state, a great increase in the number of workers in already established manufacturing centers and the bringing of a large number of workers and their families to new centers of defense industries in the state.

(b) That there is an acute shortage of safe and sanitary dwellings available to such persons and their families in this state which impedes the national defense program.

(c) That it is imperative that action be taken immediately to assure the availability of safe and sanitary dwellings for such persons to enable the rapid expansion of natural defense activities in this state and to avoid a large labor turnover in defense industries which would seriously hamper their production.

(d) That ORS 456.405 to 456.455 are necessary to assure the availability of safe and sanitary dwellings for persons engaged in national defense activities which otherwise would not be provided at this time and that such provisions are for the public use and purpose of facilitating the national defense program in this state.

(e) That it is the purpose of ORS 456.405 to 456.455 to authorize housing authorities to do all things necessary or desirable to

secure the financial aid of the Federal Government, or to cooperate with or act as agent of the Federal Government, in the expeditious development and the administration of projects to assure the availability when needed of safe and sanitary dwellings for persons engaged in national defense activities.

(2) The powers conferred by ORS 456.405 to 456.455 are in addition and supplemental to the powers conferred by any other law, and nothing contained in ORS 456.405 to 456.455 shall be construed as limiting any other powers of a housing authority.

456.415 Development and administration of projects; rights and immunities of housing authority. (1) Any housing authority may undertake the development and administration of projects to assure the availability of safe and sanitary dwellings for persons engaged in national defense activities whom the housing authority determines would not otherwise be able to secure safe and sanitary dwellings within the vicinity thereof. However, no housing authority shall initiate the development of any such project pursuant to ORS 456.405 to 456.455 after December 31, 1947.

(2) In the ownership, development or administration of housing projects, a housing authority shall have all the rights, powers, privileges and immunities that it has under any law relating to the ownership, development or administration of slum clearance and housing projects for persons of low income, in the same manner as though all laws applicable to slum clearance and housing projects for persons of low income were applicable to projects developed or administered to assure the availability of safe and sanitary dwellings for persons engaged in national defense activities under ORS 456.405 to 456.455.

(3) Housing projects developed or administered under ORS 456.405 to 456.455 constitute "housing projects" under the Housing Authorities Law, as that term is used therein.

456.420 Determination of "national defense period." Reference in ORS 456.405 to 456.455 to the term "national defense period" means that period during which a housing authority finds that, within its area of operation as defined in ORS 456.060, there is an acute shortage of safe and sanitary dwellings which impedes the national defense program in this state, and that the necessary safe and sanitary dwellings would not be provided when needed for persons engaged in national defense activities, except under ORS 456.405 to 456.455. The finding of the housing authority shall be conclusive in any suit, action or proceeding.

456.425 Defense projects exempt from Housing Authorities Law during national defense period. During the national defense period, any project developed or administered by the housing authority for which the national defense period exists or by any housing authority cooperating with it in the area of operation pursuant to ORS 456.405 to 456.455, with the financial aid of the Federal Government or as agent for the Federal Government as provided in ORS 456.440, shall not be subject to the limitations of ORS 456.160 and subsection (2) of 456.155.

456.430 Payments for services and facilities. During the national defense period, a housing authority may make payments in such amounts as it finds necessary or desirable for any services, facilities, works, privileges or improvements furnished for or in connection with such project.

456.435 Administration after national defense period. After the national defense period, any projects owned and administered by a housing authority under ORS 456.405 to 456.455 shall be administered for the purposes and in accordance with the Housing Authorities Law.

456.440 Cooperation with or agency for Federal Government; sale of housing projects. (1) A housing authority may cooperate with, or act as agent for, the Federal Government in the development or administration of projects by the Federal Government to assure the availability of safe and sanitary dwellings for persons engaged in national defense activities and may undertake the development or administration of any such project for the Federal Government.

(2) In order to assure the availability of safe and sanitary housing for persons engaged in national defense activities, a housing authority may sell, in whole or in part, to the Federal Government any housing project developed for persons of low income but

not yet occupied by such persons. This sale shall be at such price and upon such terms as the housing authority prescribes and shall include provision for the satisfaction of all debts and liabilities of the housing authority relating to such project.

456.445 Scope of authorization for development and administration of defense housing projects. (1) ORS 456.405 to 456.455 constitute an independent authorization for a housing authority to undertake the development or administration of projects to assure the availability of safe and sanitary dwellings for persons engaged in national defense activities and for a housing authority to cooperate with, or act as agent for, the Federal Government in the development or administration of similiar projects by the Federal Government.

(2) In acting under this authorization, a housing authority shall not be subject to any limitations, restrictions or requirements of other laws, except those relating to land acquisition, prescribing the procedure or action to be taken in the development or administration of any public works, including slum clearance and housing projects for persons of low income or undertakings or projects of municipal or public corporations or political subdivisions or agencies of the state.

(3) A housing authority may do any and all things necessary or desirable to cooperate with, or act as agent for, the Federal Government, or to secure financial aid in the expeditious development or in the administration of projects to assure the availability of safe and sanitary dwellings for persons engaged in national defense activities and to effectuate the purposes in ORS 456.410.

456.450 Cooperation of state public body with state and federal agencies. Any state public body, as defined in ORS 456.305, shall have the same rights and powers to cooperate with housing authorities, or with the Federal Government, with respect to the development or administration of projects to assure the availability of safe and sanitary dwellings for persons engaged in national defense activities that such state public body has pursuant to ORS 456.305 to 456.325.

456.455 Bonds or other obligations of housing authority. Bonds or other obligations issued by a housing authority for a project developed or administered pursuant to ORS 456.405 to 456.455 shall be legal investments to the same extent and for the same persons, institutions, associations, corporations, bodies and officers as bonds or other obligations issued pursuant to the Housing Authorities Law.
[Amended by 1967 c.451 §22]

VETERANS' LOCAL HOUSING

456.505 Veterans' housing by local agencies. Any lease, agreement or contract under chapter 420, Oregon Laws 1947, by and between any local agency or agencies and any authority or agency, federal or otherwise, providing housing facilities remains effective according to the instrument between the agencies concerned, notwithstanding the limitations of chapter 143, Oregon Laws 1949.

HOUSING DIVISION

(Administration)

456.550 Policy. (1) There exists in this state a seriously inadequate supply of and a pressing need for safe and sanitary dwelling accommodations within the financial means of persons and families of lower income, including but not limited to persons and families displaced by the clearing of slums and blighted areas or by other public programs;

(2) Private lending institutions have been and will continue to be unable to provide necessary financial support for lower income housing and the resulting shortage of financing has been in whole or in part responsible for the shortage of lower income housing;

(3) It is a valid public purpose to provide for the construction, rehabilitation, purchase, leasing and refinancing of housing for such persons and families who would otherwise be unable to obtain adequate dwelling accommodations which they could afford and to aid in the acquisition of land for present or future developments including such housing accommodations; and

(4) It is further found that the authority and powers conferred by ORS 456.550, 456.570 and 456.610 to 456.720 upon the division and the administrator constitute a necessary public program and serve a valid public purpose.

(5) To stimulate and increase the supply of housing for persons and families of lower income it is necessary that a central

source of housing information planning, educational services and technical assistance and a revolving fund be established. The Housing Division shall be that central source in this state.
[1971 c.505 §1; 1973 c.828 §1; 1973 c.832 §3]

456.560 Housing Division established; administrator. (1) The Housing Division is established within the Department of Commerce.

(2) The Housing Division shall be under the supervision and control of an administrator who is responsible for the performance of the duties imposed upon the division. The Director of the Department of Commerce shall appoint the administrator, subject to the approval of the Governor. The administrator shall hold his office at the pleasure of the director. The person appointed as administrator shall be a person who, by training and experience, is well qualified to perform the duties of the office.

(3) The administrator shall receive such salary as may be provided by law, or, if not so provided, as may be fixed by the director. In addition to his salary, the administrator shall, subject to the limitations otherwise provided by law, be reimbursed for all expenses actually and necessarily incurred by him in the performance of his official duties.
[1971 c.505 §2]

456.570 Powers and duties of division. (1) The division shall:

(a) Maintain current housing data and information concerning available programs, status of funding, programs planned or undertaken which might conflict with, overlap, duplicate or supersede other planned or existing programs and call these to the attention of appropriate state agencies, governmental bodies and public or private housing sponsors.

(b) Provide to appropriate state agencies, governmental bodies and public or private housing sponsors such advisory and educational services as will assist them in the development of housing plans and projects.

(c) Make noninterest bearing advances, in accordance with ORS 456.710 and the policies of the division to qualified nonprofit sponsors for development costs of housing projects until mortgage funds are released to repay the advances as provided in ORS 456.710.

(d) Advise and assist appropriate state agencies, governmental bodies and public or private housing sponsors, cities and counties, in all programs and activities which are designed or might tend to fulfill the purposes of ORS 184.520 and 456.550 to 456.720.

(e) Encourage and assist in the planning, development, construction, rehabilitation and conservation of dwelling units for persons and families of lower income.

(f) Be the central state agency to apply for, receive and distribute, on behalf of appropriate state agencies, governmental bodies and public or private housing sponsors in the state, grants, gifts, contributions, loans, credits or assistance from the Federal Government or any other source for housing programs except when the donor, grantor, or lender of such funds specifically directs some other agency to administer them.

(g) For the purposes of acquiring moneys, credits or other assistance from any agency or instrumentality of the United States or from any public corporation chartered by the United States, comply with any applicable agreements or restrictions for the receipt of such assistance and become a member of any such association or public corporation chartered by the United States.

(h) The division shall give preference to projects involving the rehabilitation and conservation of existing housing units wherever economically feasible.

(2) Except as otherwise provided in subsection (7) of ORS 456.625, the division shall not itself develop, construct, rehabilitate or conserve housing units; and neither the division nor any housing sponsor, including but not limited to any association, corporation, cooperative housing authority or urban renewal agency organized to provide housing and other facilities pursuant to ORS 456.550, 456.570 and 456.610 to 456.720, may own, acquire, construct, purchase, lease, operate or maintain utility facilities, including facilities for the generation of electricty, for the distribution of gas and electricity, and for the conveyance of telephone and telegraph messages.

(3) In accordance with the provisions of this section, the Housing Division shall establish state-wide priorities for housing programs. State agencies shall coordinate their housing programs through the Housing Division. All state agencies intending to apply for federal funds for use in planning, developing or managing housing, or rendering assistance to governmental bodies or sponsors or individuals involved therein shall submit a description of the proposed activity to the

division for review not less than 30 days prior to the intended date of submission of the application to the federal agency. The division shall determine whether the proposal would result in a program that would overlap, duplicate or conflict with any other housing program in the state. If the division finds overlapping or duplication or conflict, it shall recommend modifications in the application. The Executive Department shall consider these recommendations in making its decision to approve or disapprove the application. The division shall complete its review and forward its recommendations within 15 working days after receipt of the notification. Failure of the division to complete the review within that time shall constitute approval of the application by the division.
[1971 c.505 §§4, 5; 1973 c.828 §2; 1973 c.832 §4]

456.580 Additional powers of administrator. The administrator, in addition to his other powers, shall have the following powers:

(1) Subject to the applicable provisions of the State Merit System Law, to appoint all subordinate officers and employes of the division and prescribe their duties and fix their compensation.

(2) Make the rules necessary for the administration and enforcement of ORS 184.520 and 456.550 to 456.720 and establish preferences in granting of benefits conferred by ORS 184.520 and 456.550 to 456.720.
[1971 c.505 §3]

456.590 State Housing Council; membership; appointment; terms; officers; compensation and expenses. (1) The State Housing Council is established within the Department of Commerce. The council shall consist of seven members appointed by the Governor.

(2) The term of office of each member is four years, but a member serves at the pleasure of the Governor. Before the expiration of the term of a member, the Governor shall appoint a successor whose term begins on July 1 next following. A member is eligible for reappointment. If there is a vacancy for any cause, the Governor shall make an appointment to be immediately effective for the unexpired term.

(3) Notwithstanding the term of office specified by subsection (2) of this section, of the members first appointed to the council;

(a) One shall serve for a term ending June 30, 1972.

(b) Two shall serve for terms ending June 30, 1973.

(c) Two shall serve for terms ending June 30, 1974.

(d) Two shall serve for terms ending June 30, 1975.

(4) The Governor shall appoint the chairman of the council.

(5) The administrator of the division shall act as secretary to the council.

(6) The members of the council are entitled to compensation and expenses as provided in ORS 292.495.
[1971 c.505 §6]

456.600 Functions of council. The council shall advise and consult with the division in carrying out the functions of the division.
[1971 c.505 §7]

456.610 Housing Division Revolving Account; use of moneys; appropriation. (1) There is created in the General Fund of the State Treasury the Housing Division Revolving Account. All moneys received by the division are continuously appropriated for the purposes of ORS 184.520 and 456.550 to 456.720, subject to limitations otherwise prescribed by law.

(2) There hereby is appropriated to the Department of Commerce out of the General Fund in the State Treasury the sum of $100,000, which sum shall be credited to the Housing Division Revolving Account. Such funds hereby are continuously appropriated for:

(a) The making of advances under paragraph (c) of subsection (1) of ORS 456.570 or ORS 456.710; and

(b) The use by the division in the payment of expenses incurred by the division in carrying out ORS 456.615 to 456.720; however, any such funds expended by the division under this paragraph shall be repaid by the division into the revolving account from the fees and charges collected under subsection (3) of ORS 456.625 and from any other moneys available for such repayment in accordance with ORS 456.615 to 456.720.
[1971 c.505 §10; 1973 c.828 §28]

(Financing of Low Income Housing)

456.615 Definition for ORS 456.550 to 456.720. As used in ORS 456.550 to 456.720, unless the context requires otherwise:

(1) "Capital reserve account" means the capital reserve account within the Housing Finance Fund.

(2) "Consumer housing cooperative" means a cooperative corporation formed under ORS chapter 62 and whose articles of incorporation provide, in addition to the other requirements of ORS chapter 62, that:

(a) The consumer housing cooperative has been organized exclusively to provide housing facilities for persons and families of lower income and such social, recreational, commercial and communal facilities as may be incidental to such housing facilities.

(b) All income and earnings of the consumer housing cooperative shall be used exclusively for consumer housing cooperative purposes and that no unreasonable part of the net income or net earnings of the cooperative shall inure to the benefit or profit of any private individual, firm, corporation, partnership or association.

(c) The consumer housing cooperative is in no manner controlled or under the direction of or acting in the substantial interest of any private individual, firm, corporation, partnership or association seeking to derive profit or gain therefrom or seeking to eliminate or minimize losses in any transaction therewith, except that such limitation shall apply to the members of the cooperative only to the extent provided by rules of the division.

(d) The operations of the consumer housing cooperative may be supervised by the division and that the consumer housing cooperative shall enter into such agreements with the division as the division may require to provide regulation by the division of the planning, development and management of any housing project undertaken by the cooperative and the disposition of the property and other interests of the cooperative.

(3) "Development costs" means the costs that have been approved by the division as appropriate expenditures and includes, but is not limited to payments for options to purchase property for the proposed housing project site, deposits on contracts of purchase, payments for the purchase of property as approved by the division, legal, organizational and marketing expenses including payment of attorney fees, managerial and clerical staff salaries, office rent and other incidental expenses, payment of fees for preliminary feasibility studies, advances for planning, engineering and architectural work; expenses for surveys as to need and market analyses; and such other expenses incurred by the qualified housing sponsor as the division may deem necessary under ORS 456.550, 456.570 and 456.610 to 456.720.

(4) "Division" means the Housing Division of the Department of Commerce.

(5) "Elderly" means a person or a family whose head of the household is 62 years of age or older.

(6) "Federally insured security" means an evidence of indebtedness insured or guaranteed as to repayment of principal and interest by the United States or an agency or instrumentality thereof.

(7) "Housing development" means a development that contains housing units for persons or families of lower income and such other elements of commercial, recreational, industrial, communal or educational facilities as the division determines improve the quality of the development as it relates to housing for persons or families of lower income. Funds of the division obtained by the sale of bonds under ORS 456.645 shall not be used for any elements of the development other than the units of housing for persons or families of lower income.

(8) "Housing Finance Fund" means the Housing Finance Fund established in subsection (1) of ORS 456.720.

(9) "Lending institution" means any bank, mortgage banking company, trust company, savings bank, savings and loan association, credit union, national banking association, federal savings and loan association or federal credit unit maintaining an office in this state, or any insurance company authorized to do business in this state.

(10) "Limited dividend housing sponsor" means a corporation, trust, partnership, association, other entity, or an individual. Such mortgagor shall be restricted as to distribution of income and shall be regulated as to rents, charges, rate of return and methods of operation as the division determines necessary to carry out the purposes of ORS 456.550, 456.570 and 456.610 to 456.720.

(11) "Lower income families or persons" means families and persons, residing in this state, who cannot obtain in the open market decent, safe and sanitary housing, including the costs of utilities and taxes, for 25 percent of the gross income of such family or person, subject to the income limitations established by the division under subsection (4) of ORS 456.620. The division, in cooperation with affected local governments, shall determine what constitutes "decent, safe and sanitary housing."

(12) "Nonprofit housing corporation" means an organization formed under ORS chapter 61 and whose articles of incorporation provide, in addition to the other requirements of ORS chapter 61, that:

(a) The corporation has been organized exclusively to provide housing facilities for persons and families of lower income and such other social, recreational, commercial and communal facilities as may be incidental to such housing facilities.

(b) All the income and earnings of the corporation shall be used exclusively for corporation purposes and that no part of the net income or net earnings of the corporation shall inure to the benefit of any private individual, firm, corporation, partnership or association.

(c) The corporation is in no manner controlled or under the direction or acting in the substantial interest of any private individual, firm, partnership or association seeking to derive profit or gain therefrom or seeking to eliminate or minimize losses in transactions therewith.

(d) The operations of the corporation may be supervised by the division and that the corporation shall enter into such agreements with the division as the division may require to regulate the planning, development and management of any housing project undertaken by the corporation and the disposition of the property and other interests of the corporation.

(13) "Project cost" or "costs of the project" means the sum of all reasonable expenses incurred by a qualified housing sponsor in undertaking and completing a housing project approved by the division. Such costs include but are not limited to the expenses incurred by a qualified housing sponsor for studies and surveys; plans, specifications, architectural and engineering services; legal, organizational and other special services; financing, acquisition, demolition, construction, equipment and site development of new and rehabilitated housing units; movement of exisiting buildings to new sites; rehabilitation, reconstruction, repair or remodeling of existing buildings; estimated carrying charges during construction and for a reasonable period thereafter; placement of tenants or occupants and relocation services in connection with the housing project; reasonable builder's or sponsor's profit and risk allowance; and, to the extent not already included, all development costs.

(14) "Qualified housing sponsor" includes, subject to the approval of the division, a consumer housing cooperative, a limited dividend housing sponsor, a nonprofit housing corporation, a for-profit housing sponsor operating in compliance with the criteria adopted by the division under subsection (1) of ORS 456.620, a housing authority created by ORS 456.075 and an urban renewal agency created by ORS 457.130.

(15) "Residential housing" means a specific work or improvement within this state undertaken primarily to provide dwelling accommodations, including land development and acquisition, construction or rehabilitation of buildings and improvements thereto, for residential housing, and such other nonhousing facilities as may be incidental or appurtenant thereto. As used in this subsection, "land development" includes, but is not limited to, the improvement of streets and alleys and the construction of surface drains, sewers, curbing and sidewalks.

(16) "Residential mortgage loan" means a loan secured by a first lien on real property located in the state and improved by a newly constructed, existing or rehabilitated residential structure for lower income persons or families, or unimproved if the proceeds of such loan shall be used for the erection of a residential structure thereon, whether or not such loan is insured or guaranteed by the United States or any instrumentality or agency thereof.

(17) "Revolving account" means the Housing Division Revolving Account created in ORS 456.610.

[1973 c.828 §4]

456.620 Duties of division under ORS 456.615 to 456.720. In carrying out ORS 456.615 to 456.720, the division shall:

(1) Adopt standards for the planning, development and management of housing projects for which qualified housing sponsors receive all or a portion of any required financing under ORS 456.550, 456.570 and 456.610 to 456.720, for audits and inspections to determine compliance with such standards and adopt criteria for the approval of qualified housing sponsors under ORS 456.550, 456.570 and 456.610 to 456.720.

(2) Adopt criteria for the approval of qualified housing sponsors in ORS 456.550, 456.570 and 456.610 to 456.720.

(3) Enter into agreements with qualified housing sponsors to regulate the planning, development and management of housing projects constructed with the assistance

of the division under ORS 456.550, 456.570 and 456.610 to 456.720.

(4) Establish maximum income limits which shall in no case exceed the median family income level, as determined by the division, in the area where housing is to be provided.

[1973 c.828 §5]

456.625 Powers of division. The division may:

(1) Undertake and carry out studies and analyses of housing needs within the state and ways of meeting such needs and make the results of such studies and analyses available to the public, qualified housing sponsors and the private housing sector.

(2) Submit proposed legislation to the Legislative Assembly on measures it considers necessary to alleviate any existing housing shortage or detrimental housing condition as determined under subsection (1) of this section.

(3) Collect fees and charges, as the division determines to be reasonable, in connection with its loans, advances, insurance, loan commitments and servicing.

(4) Encourage community organizations to assist in initiating housing projects for persons and families of lower income.

(5) Encourage the salvage of usable housing scheduled for demolition or dislocation because of highway, school, urban renewal or other public projects by seeking authority for the public agencies involved in such programs to use the funds provided for the demolition or relocation of such buildings to enable qualified housing sponsors to relocate and rehabilitate such buildings for use by persons and families of lower income.

(6) Encourage research and demonstration projects to develop techniques and methods for increasing the supply of adequate, decent, safe and sanitary housing for persons and families of lower income.

(7) Make or participate in the making of residential mortgage loans to qualified housing sponsors to provide for the construction, rehabilitation or permanent financing of residential housing; undertake commitments to make residential mortgage loans; purchase and sell residential mortgage loans at public or private sale; modify or alter such mortgages; foreclose on any such mortgage or security interest or commence any action to protect or enforce any right conferred upon the division by any law, mortgage, security, agreement, contract or other agreement and to bid for and purchase property that is subject to such mortgage or security interest at any foreclosure or other sale; acquire or take possession of any such property and complete, administer, pay the principal and interest on any obligations incurred in connection with such property and dispose of such property in such manner as the division determines necessary to protect its interests under ORS 456.550, 456.570 and 456.610 to 456.720.

(8) Invest any funds held in reserve or sinking funds under ORS 456.550, 456.570 and 456.610 to 456.720 and any other moneys not required for immediate use or disbursement by the division as provided for the investment of state funds under ORS 293.701 to 293.776.

(9) Advise and assist in the creation of any nonprofit housing corporation, consumer housing cooperative or limited dividend housing sponsor and give approval of the articles of incorporation and bylaws of any such organization in carrying out ORS 456.550, 456.570 and 456.610 to 456.720.

(10) Cooperate with and exchange services, personnel and information with any federal, state or local governmental agency.

(11) Contract for the services of and consultation with professional persons or organizations, not otherwise available through federal, state or local governmental agencies, in carrying out ORS 456.550, 456.570 and 456.610 to 456.720.

(12) Perform any other duties that the division considers necessary in carrying out ORS 456.550, 456.570 and 456.610 to 456.720.

(13) Purchase, service, sell and make commitments to purchase, service and sell residential mortgage loans to the extent permitted by ORS 456.635 and subsections (1) to (3) of ORS 456.640.

[1973 c.828 §6]

456.630 Services to qualified sponsors and institutions. The division may provide to qualified housing sponsors and lending institutions such advisory, consultative training and educational services as necessary in assisting such sponsors. Such advisory and other services include, but are not limited to, technical and professional planning assistance, preparation and promulgation of organizational planning and development guidelines, consultation services, training courses, seminars and lectures and other services or materials for assistance of such sponsors in the planning, development and

management of housing projects under ORS 456.550, 456.570 and 456.610 to 456.720.
[1973 c.828 §7]

456.635 Commitments of division on residential mortgage loans. (1) In order to provide additional permanent financing for housing for persons and families of lower income, the division may make commitments to purchase and purchase, insure, service and sell residential mortgage loans held by lending institutions for persons and families of lower income in this state. The division may purchase from lending institutions securities backed by residential mortgage loans.

(2) Any commitment made by the division subject to subsection (1) of this section shall be based upon an agreement with the lending institution that the proceeds received by the lending institution from the sale of such mortgage loans to the division shall be used by the lending institution only for the financing of residential housing for persons and families of lower income in this state.
[1973 c.828 §8]

456.640 Purchase of mortgage loans. (1) The division shall prescribe a form for the application by a lending institution for the purchase of existing residential mortgage loans by the division under ORS 456.635.

(2) Prior to the submission by it of an application for the purchase by the division of existing residential mortgage loans under ORS 456.635, a lending institution may request the reservation by the division of funds.

(3) The division may grant a reservation of funds in such amount and subject to such conditions as it considers necessary under ORS 456.550, 456.570 and 456.610 to 456.720.

(4) Upon the decision by the division to purchase residential mortgage loans under ORS 456.635, the division shall issue a binding letter of commitment subject to such terms and conditions as the division considers necessary. The letter of commitment shall be binding upon the division as of the date of its execution subject to the terms and conditions, if any, included therein.
[1973 c.828 §§9, 10]

456.645 Revenue bonds. (1) The division, from time to time, may issue and sell notes and bonds in the name of the State of Oregon in compliance with the applicable provisions of ORS chapter 286 in such principal amount as it considers necessary to carry out the purposes of ORS 456.550, 456.570 and 456.610 to 456.720.

(2) Bonds issued by the division under this section shall include bonds of which the principal and interest are payable:

(a) From the income and revenues of the housing project or projects financed with the proceeds from the sale of such bonds or with such proceeds together with other moneys available to the division under ORS 456.550, 456.570 and 456.610 to 456.720 or other moneys or grants from the Federal Government in aid of such projects.

(b) From the income and revenues of certain designated housing projects, whether or not financed with the proceeds from the sale of such bonds, if such housing projects were financed with moneys available to the division under ORS 456.550, 456.570 and 456.610 to 456.720.

(c) From funds held in the capital reserve account.

(d) From such other funds as deemed adequate in fulfilling the purposes of ORS 456.550, 456.570 and 456.610 to 456.720.

(e) From the revenues of the division under ORS 456.550, 456.570 and 456.610 to 456.720, generally.
[1973 c.828 §11]

456.650 Refunding bonds. The division may issue refunding bonds, together with other bonds of the division, for the purpose of refunding outstanding bonds issued under ORS 456.645. The refunding bonds may be sold in the same manner as other bonds are sold under ORS 456.550, 456.570 and 456.610 to 456.720. The issuance of the refunding bonds, the maturity date, and other details thereof shall be governed by the applicable provisions of ORS chapter 286 and ORS 456.550, 456.570 and 456.610 to 456.720 for the issuance and sale of bonds by the division. The refunding bonds may be issued to refund bonds originally issued or to refund bonds previously issued for refunding purposes. Pending the use of moneys obtained from the sale of refunding bonds for the proper purposes, such moneys may be invested by the division as provided in subsection (8) of ORS 456.625.
[1973 c.828 §12]

456.655 When bonds not to be issued; required debt service reserve. (1) The division shall not issue bonds at any time if the amount then on deposit in the capital

reserve account is less than the required debt service reserve. Subject to existing agreements with bondholders, the required debt service reserve shall be the maximum annual debt service for all outstanding bonds for any one fiscal year during the remaining term of such bonds, being an amount equal to the aggregate of:

(a) All interest payable during any such fiscal year on all bonds outstanding on the date of computation; and

(b) The principal amount of bonds maturing during such fiscal year; and

(c) All amounts as specified in any resolution of the division or in any contract with bondholders as payable during such fiscal year as a sinking fund payment with respect to any bonds which mature after such fiscal year.

(2) The required debt service reserve shall be calculated on the assumption that bonds will after such date of computation cease to be outstanding by reason of payment of the bonds when due at their respective maturity, and upon application, in accordance with the resolution of the division or any contract with bondholders, of all sinking fund payments payable at or after such date of computation. However, the division may, at the time of issuance of additional bonds, deposit in the capital reserve account, from the proceeds of the additional bonds to be issued, or other sources, an amount, which, together with the amount then in such fund will be not less than the maximum required debt service reserve.
[1973 c.828 §13]

456.660 Limit on bond amount. The division shall not have outstanding at any time bonds issued under ORS 456.645 in an aggregate principal amount exceeding $200 million, excluding bonds issued by the division to refund outstanding bonds under ORS 456.650.
[1973 c.828 §14]

456.665 Bonds not obligation of division or state; bonds negotiable; interest exempt from state income tax. (1) Neither the Administrator of the Housing Division of the Department of Commerce nor any officer or employe of the division shall be liable personally on any bonds issued by the division under ORS 456.550, 456.570 and 456.610 to 456.720 by reason of the issuance thereof.

(2) All obligations issued by the division under ORS 456.550, 456.570 and 456.610 to 456.720 shall not constitute a debt, liability or general obligation of this state or any political subdivision thereof or a pledge of the faith and credit of this state or any such political subdivision, but shall be payable solely from the revenues or assets of the division acquired pursuant to ORS 456.550, 456.570 and 456.610 to 456.720. Each obligation issued under ORS 456.550, 456.570 and 456.610 to 456.720 shall contain on the face thereof a statement that the division shall not be obligated to pay the same nor the interest thereon except from the revenues or assets pledged therefor and that neither the faith and credit nor the taxing power of this state or any political subdivision thereof is pledged to the payment of the principal of or the interest on such obligation.

(3) All bonds issued by the division under ORS 456.550, 456.570 and 456.610 to 456.720 shall be fully negotiable.

(4) The interest upon all bonds, including refunding bonds, issued by the division under ORS 456.550, 456.570 and 456.610 to 456.720 shall be exempt from personal income taxation in the State of Oregon.
[1973 c.828 §15]

456.670 Bond date, maturity, interest rate, denomination, form, execution, payment, sale. Bonds issued by the division under ORS 456.550, 456.570 and 456.610 to 456.720 shall bear such dates and shall mature at such times not exceeding 40 years from the date of issue as the division may prescribe. The bonds shall bear interest at such rates, be in such denominations, be in such form either coupon or registered with such registration privileges, be executed in such manner, be payable upon such terms and at such places and be subject to such terms of redemption as the administrator of the division may prescribe. Bonds and notes issued by the division under ORS 456.550, 456.570 and 456.610 to 456.720 may be sold by the division at private or public sale at such prices as the division may prescribe.
[1973 c.828 §16]

456.675 Bond provisions and limits. Pursuant to agreements with bondholders, the bonds issued by the division under ORS 456.550, 456.570 and 456.610 to 456.720 may:

(1) Pledge all or any part of the fees and charges made or received by the division under ORS 456.550, 456.570 and 456.610 to 456.720 and all or any part of the moneys received in payment of mortgage loans and interest thereon and other moneys received or

to be received by the division under ORS 456.550, 456.570 and 456.610 to 456.720 to secure payment of the bonds, subject to the provisions of any agreements with bondholders then existing.

(2) Pledge all or any part of the assets of the division acquired under ORS 456.550, 456.570 and 456.610 to 456.720, including mortgage loans and obligations securing such mortgage loans to secure the payment of the bonds, subject to the provisions of any agreements with bondholders then existing.

(3) Pledge any moneys, loans or grants received from the Federal Government, the state or any city, county or political subdivision of this state for any housing project financed in whole or in part from the sale proceeds of bonds issued by the division under ORS 456.550, 456.570 and 456.610 to 456.720.

(4) Provide for the use and disposition of the gross income from mortgage loans held by the division and for the payment of the principal on mortgage loans held by the division.

(5) Limit the purposes for which the proceeds from the sale of bonds may be applied by the division and pledge such proceeds to secure payment of the bonds of the division.

(6) Limit the issuance by the division of additional bonds, the terms upon which such additional bonds may be issued by the division and the refunding of outstanding bonds.

(7) Provide for the procedure, if any, by which the terms of any contract with bondholders may be amended or rescinded, the percentage of the bondholders that must consent thereto and the manner of giving their consent thereto.

(8) Vest in a trustee appointed by the administrator such property, rights, powers and duties in trust as the division may determine, including the rights, powers and duties of a trustee appointed for bondholders pursuant to ORS 456.550, 456.570 and 456.610 to 456.720 or limiting the rights, powers and duties of any trustee so appointed.

(9) Provide for other matters affecting security for the bonds.

[1973 c.828 §17]

456.680 Purchase of bonds by division. The division, subject to any existing agreements with its bondholders, may purchase bonds then outstanding out of any funds of the division available therefor under ORS 456.550, 456.570 and 456.610 to 456.720. Any bonds of the division so purchased shall be canceled. The division may purchase such bonds whether or not such bonds are redeemable at the time of such purchase. If the bonds are then redeemable, the division shall purchase such bonds at a reasonable price not exceeding the redemption price then applicable plus accrued interest to the date of redemption.

[1973 c.828 §18]

456.685 Bondholders' remedies. (1) If the division defaults in the payment of the principal or interest due upon a bond, whether at maturity or upon call for redemption and such default continues for a period of 30 days thereafter or if the division fails or refuses to comply with any agreement with the bondholders or any other provision of ORS 456.550, 456.570 and 456.610 to 456.720, the holders of 25 percent in aggregate principal amount of bonds then outstanding may instruct the trustee to represent them as provided in subsection (2) of this section by filing an appropriate instrument that is acknowledged in the manner provided for the acknowledgement of deeds in this state with the county clerk for Marion County.

(2) A trustee appointed pursuant to subsection (1) of this section may:

(a) Enforce all rights of the bondholders under ORS 456.550, 456.570 and 456.610 to 456.720 or any agreement with the division by appropriate proceedings.

(b) Bring suit upon such bonds.

(c) By appropriate proceeding, require the division to account.

(d) By appropriate judicial proceedings, enjoin any act of the division that is in violation of ORS 456.550, 456.570 and 456.610 to 456.720 or in violation of any agreement with the bondholders.

(e) Exercise any powers necessary or appropriate for the exercise of any functions under this section or otherwise incidental to the general representation of the bondholders in the enforcement and protection of their rights.

[1973 c.828 §19]

456.690 Loan authority of division. (1) Upon a finding made by the division that the supply of funds available through lending institutions for the financing of residential mortgage loans for housing units or housing projects for persons and families of lower income is inadequate, the division may make loans to lending institutions in this state for

the purpose of providing funds to such institutions for the financing of residential housing units or housing projects for persons and families of lower income.

(2) Upon a finding by the division that existing residential housing units or projects for persons and families of lower income may be rehabilitated to provide adequate, safe and sanitary residential housing in lieu of constructing new residential housing units or projects, the division, subject to existing agreements with bondholders, may make loans for such rehabilitation work that are secured by second liens on real property in the state and improved by a rehabilitated residential structure. The division may cooperate with qualified housing sponsors in the development and implementation of such loan programs. Loans made by the division under this subsection shall be made on an individual housing unit or housing project basis.

(3) Prior to the making of any loan under this section, the division shall adopt rules and regulations governing the making of such loans, including but not limited to:

(a) Procedures for the submission, review and approval of requests for loans under this section.

(b) Standards and requirements for the allocation of loan moneys available among eligible borrowers and the determination of the terms, conditions and interest rates for such loans.

(c) Limitations, if any, on the number of housing units or projects, type of housing units or projects and any other characteristics for the eligibility of housing units or projects for such financing.

(d) Restrictions, if any, on the interest rates to be charged by lending institutions on loans made from such loan proceeds and the return to be realized by the lending institution therefrom.

(e) Commitment requirements applied to residential mortgage financing by lending institutions from the proceeds of such loans.

(f) Schedules of fees and other charges to be made by the division in accepting, reviewing and acting upon applications for loans under this section.

(4) All loans made and all rules and regulations adopted under this section shall be designed by the division to expand the supply of funds available in this state for the financing of residential housing units and housing projects for persons and families of lower income, to provide an adequate supply of safe and sanitary units of such housing, and to promote the effective participation of conventional lending institutions in the financing of such housing and restrict the financial return and benefit to such lenders to that which is necessary and reasonable to induce their participation under this section.

(5) In making loans under this section, the division may prescribe such terms, conditions, maturity dates and interest rate provisions as it considers necessary.
[1973 c.828 §20]

456.695 Housing required to comply with land use plans, zoning and other ordinances. All housing units or projects for which funds are advanced, loaned or otherwise provided by the division under ORS 456.550, 456.570 and 456.610 to 456.720 must be in compliance with any interim comprehensive land use plan or comprehensive land use plan and zoning, subdivision and other ordinances and regulations and laws of this state applicable to the lands upon which such projects are to be constructed; or, if an interim comprehensive land use plan or comprehensive land use plan is not in effect with respect to such lands, such units or projects must be in compliance with generally accepted land use planning standards.
[1973 c.828 §21]

456.700 Pledge and lien. Any pledge, commitment or reservation of funds made by the division under ORS 456.550, 456.570 and 456.610 to 456.720 shall be valid and binding from the date on which the pledge was executed. Any money or property pledged in return for such a commitment and thereafter received or held by the division shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act by the division. The lien of any such pledge shall be valid and binding as against all parties having any claims in tort, contract or otherwise against the division whether or not such parties have notice of the lien. No instrument creating a pledge under ORS 456.550, 456.570 and 456.610 to 456.720 need be recorded.
[1973 c.828 §22]

456.705 Power of division in servicing mortgage loan. With respect to the servicing of any mortgage loan made or acquired by the division under ORS 456.550, 456.570 and 456.610 to 456.720, the division may:

(1) Provide for servicing of the mortgage loan by its own staff.

(2) Contract with the Director of Veterans' Affairs for the performance of servicing functions for the mortgage loan.

(3) With respect to residential mortgage loans purchased by the division under ORS 456.635, contract with the lending institution selling such loans or any other lending institution for the servicing of such loans, subject to such terms and conditions as the division considers necessary to protect the interests of the division in such loans. The division may provide for the payment of such fees for servicing performed by a lending institution under this subsection as it considers necessary.
[1973 c.828 §23]

456.710 Payment of advances; use thereof; limitations. (1) The division may use moneys in the revolving account to make noninterest bearing advances to qualified nonprofit housing sponsors or interest bearing advances to other qualified housing sponsors for use in payment by such sponsors of the development costs of proposed housing units or projects. The division may not make any advance under this subsection unless the division may reasonably anticipate that a residential mortgage loan may be obtained by the qualified housing sponsor for the permanent financing of the proposed housing unit or project.

(2) The proceeds of any advance granted by the division under subsection (1) of this section may be used by the qualified housing sponsor only for the development costs of a proposed housing unit or project or housing development. Each advance so granted shall be repaid in full, by the qualified housing sponsor for which the advance was granted, to the division at the time of the receipt by the housing sponsor of the portion of the residential mortgage loan paid under the initial indorsement of the residential mortgage or construction loan, unless the division extends the repayment period. In no event shall the time of repayment be extended beyond the date of the receipt by the qualified housing sponsor of the portion of the residential mortgage loan paid on final indorsement of the residential mortgage or construction loan.
[1973 c.828 §24]

456.715 Insurance of loans. (1) The division may insure residential mortgage loans or obtain reinsurance on such loans. However, all such loans shall be used only to provide residential housing for persons and families of lower income and the insured must agree to any restrictions placed upon such residential housing by the division.

(2) All applications for mortgage loan insurance under subsection (1) of this section shall be made on such forms and accompanied by such application fee as the division may prescribe.

(3) The division shall notify the applicant of its findings and the approval or denial of the application.
[1973 c.828 §§25, 26]

456.720 Housing Finance Fund. (1) The Housing Finance Fund is established. The fund shall consist of the proceeds from the sale of bonds issued under ORS 456.645 and 456.650, fees and other moneys received by the division under ORS 456.550, 456.570 and 456.610 to 456.720, moneys appropriated by the state for use by the division in carrying out ORS 456.550, 456.570 and 456.610 to 456.720 and moneys made available from any other source for use by the division under ORS 456.550, 456.570 and 456.610 to 456.720.

(2) Except as otherwise provided in this section, moneys in the fund may be expended by the division for the purposes authorized in ORS 456.550, 456.570 and 456.610 to 456.720. Except as otherwise provided in this section for a capital reserve account, the division may establish one or more accounts within the fund for use in carrying out ORS 456.550, 456.570 and 456.610 to 456.720.

(3) There is established within the Housing Finance Fund a capital reserve account. The capital reserve account shall consist of the aggregate of moneys retained by the division, pursuant to existing agreements with bondholders, as the annual debt service reserve, as described in subsection (1) of ORS 456.655, for each bond issue sold by the division under ORS 456.645 or 456.650. All moneys in the account shall be used solely for the payment of the principal of bonds issued by the division as they mature, the purchase of such bonds, the payment of interest on such bonds and the payment of any redemption premium required to be paid by the division when any such bonds are redeemed prior to maturity. Moneys in the account may not be withdrawn therefrom at any time in such amount as would reduce the amount of moneys in the account below the maximum amount of principal and interest maturing and becoming due in the succeeding fiscal year on all bonds issued by the division and then outstanding, except for the purpose of

paying principal of and interest and premium, if any, on bonds of the division maturing and becoming due and for the payment of which other moneys in the Housing Finance Fund are not available.

(4) Except as otherwise provided in existing agreements with bondholders, any income or interest earned by or accruing to the capital reserve account because of the investment by the division of moneys within the account may be retained by the division in the fund to apply to any future deficiency that may occur or may be used by the division for the repayment of moneys in the revolving account that were expended by the division pursuant to paragraph (b) of subsection (2) of ORS 456.610.

(5) In order to assure the continual operation and maintenance of the capital reserve account in the Housing Finance Fund and to carry out ORS 456.615 to 456.720, if the amount of money on deposit in the capital reserve account in any year is less than the debt service reserves described in subsection (1) of ORS 456.655, the administrator shall certify to the Governor the amount of such deficiency as required to restore the account to its required debt service reserves. Upon receipt of the certification of the amount of the deficiency, the Governor shall include in his next budget request to the Legislative Assembly the amount certified by the administrator. The amount so certified by the administrator shall be appropriated by the Legislative Assembly and paid to the division during the then current fiscal year for deposit in the capital reserve account.

(6) For the purposes of this section, the division shall annually value investments in the capital reserve account at the lower of amortized cost or market.
[1973 c.828 §27]

BUILDING CODE

456.750 Definitions for ORS 456.750 to 456.885. As used in ORS 456.750 to 456.885, unless the context requires otherwise:

(1) "Administrator" means the State Building Code Administrator.

(2) "Advisory board" means the advisory board with responsibility for assisting in the adoption, amendment or administration of a specialty code.

(3) "Department" means the Department of Commerce.

(4) "Director" means the Director of Commerce.

(5) "Municipality" means a city, county or other unit of local government otherwise authorized by law to enact a building code.

(6) "Prefabricated structure" means a building or structural unit which has been in whole or substantial part manufactured at an offsite location to be wholly or partially assembled on site; but does not include a mobile home, trailer or recreational vehicle.

(7) "Specialty code" means a code of regulations adopted under ORS 446.185, subsection (2) of 447.020, subsection (2) of ORS 456.755, ORS 460.085, 460.360, subsection (1) of 479.730 or ORS 480.535; but does not include regulations adopted by the State Fire Marshal pursuant to ORS chapter 476 or ORS 479.010 to 479.200 and 479.210 to 479.220.

(8) "State building code" means the combined specialty codes.

(9) "Structural code" means the specialty code prescribing structural standards for building construction.
[1973 c.834 §1]

456.755 Purpose; scope of regulations. (1) ORS 456.750 to 456.885 are enacted to enable the Director of Commerce to promulgate a state building code to govern the construction, reconstruction, alteration and repair of buildings and other structures and the installation of mechanical devices and equipment therein, which will establish basic and uniform performance standards providing reasonable safeguards for health, safety, welfare, comfort and security of the residents of this state who are occupants and users of buildings, and will provide for the use of modern methods, devices, materials, techniques and maximum energy conservation.

(2) The regulations adopted pursuant to ORS 456.750 to 456.885 shall include structural standards; standards for the installation and use of mechanical, heating and ventilating devices and equipment; and standards for prefabricated structures; and shall, subject to ORS 456.760, prescribe reasonable fees for the issuance of building permits and similar documents, inspections and plan review services, by the department.

(3) ORS 456.750 to 456.885 do not affect the statutory jurisdiction and authority of the Workmen's Compensation Board, under ORS chapter 654, to promulgate occupational safety and health standards relating to places of employment, and to administer and enforce all state laws, regulations, rules, standards and lawful orders requiring places of employment to be safe and healthful.

(4) ORS 456.750 to 456.885 and any specialty code do not limit the authority of a municipality to enact regulations providing for local administration of the state building code; local appeal boards; fees and other charges; abatement of nuisances; enforcement through penalties; stop-work orders or other means; or minimum health, sanitation and safety standards for governing the use of structures for housing, except where the power of municipalities to enact any such regulations is expressly withheld by statute. [1973 c.834 §2]

456.760 Permit required; fees. (1) Fees shall be prescribed as required by ORS 456.755 for permits issued by the department for the construction, reconstruction, alteration and repair of prefabricated structures and of buildings and other structures and the installation of mechanical heating and ventilating devices and equipment. The fees shall be based on the total valuation of the proposed structure or installation, shall not exceed the maximum fees set out in the following schedule and shall not be effective until approved by the Executive Department.

Total Valuation	Maximum Fee
$1 to $500	$5
$501 to $2,000	$5 for the first $500 plus $1 for each additional $100 or fraction thereof, to and including $2,000
$2,001 to $25,000	$20 for the first $2,000 plus $4 for each additional thousand or fraction thereof, to and including $25,000
$25,001 to $50,000	$112 for the first $25,000 plus $3 for each additional thousand or fraction thereof, to and including $50,000
$50,001 to $100,000	$187 for the first $50,000 plus $2 for each additional thousand or fraction thereof, to and including $100,000
$100,001 to $500,000	$287 for the first $100,000 plus $1.50 for each additional thousand or fraction thereof, to and including $500,000
$500,000 and up	$887 for the first $500,000 plus $1 for each additional thousand or fraction thereof.

(2) The fee for examining plans and specifications submitted to the administrator under ORS 456.840 or 479.155 shall be the same as the fee prescribed for a permit under subsection (1) of this section. However, if the valuation of the proposed structure or installation exceeds $1,000, the fee shall be one-half the amount of the prescribed permit fee.

(3) A municipality shall not, for the kind of permits provided for by subsection (1) of this section, enact or enforce any ordinance, rule or regulation fixing any permit fee that is higher than the maximum fee provided by this section unless the municipality has the prior approval of the director to do so. The director shall approve any such fee or fees if he finds, after notice and hearing, that the proposed fee or fees are reasonable and necessary to provide funds for the municipality to pay for the expenses of carrying out effective enforcement of the specialty code or codes that are its responsibility, pursuant to ORS 456.790, to enforce. [1973 c.834 §3]

456.765 State agencies required to conform rules to building code. (1) Where a state agency other than the Department of Commerce has, prior to July 22, 1973, adopted regulations, rules or standards that relate to building construction and installation of equipment therein, the agency shall review such regulations, rules or standards for the purpose of revising or eliminating regulations, rules or standards that contradict or are inconsistent with the state building code or that burden the public with unnecessary duplication of building codes or inspections. Each such state agency shall submit the results of its review to the director prior to January 1, 1975.

(2) The director shall review the reports submitted to him pursuant to subsection (1) of this section, and shall also review the rules, regulations and standards of the Department of Commerce and the laws of this state relating to building construction and installation of equipment therein to determine if the public is being asked to comply with contradictory or inconsistent requirements or is being burdened with unnecessary duplication of building codes or inspections. The director shall present the results of his review in a report to be submitted to the Governor on or before March 1, 1975, or as soon thereafter as he can reasonably complete it. The report shall summarize the statutory or regulatory contradictions, inconsistencies and redundancies as he may find and shall include his recommendations for the elimination of such contradictory, inconsistent or redundant laws and administrative acts. [1973 c.834 §4]

456.770 Duties of director. Except as otherwise provided by ORS chapters 446, 447, 460, 476, 479 and 480:

(1) The director shall coordinate and generally supervise the adoption, administration and enforcement of the state building code.

(2) The director with the approval of the appropriate advisory boards shall adopt and publish the specialty codes, including codes of regulations as authorized by subsection (2) of ORS 456.755 providing standards for the construction, reconstruction, alteration and repair of buildings and other structures and the installation of mechanical devices and equipment therein, governing matters of materials, design and construction, fire protection in one-family and two-family dwellings, health, sanitation, safety and maximum energy conservation.

(3) The director with the approval of the appropriate advisory boards may amend such codes from time to time. The codes of regulations and any amendment thereof shall conform in so far as practicable to model building codes generally accepted and in use throughout the United States. If there is no nationally recognized model code, consideration shall be given to the existing specialty codes presently in use in this state. Such model codes with modifications considered necessary and specialty codes may be adopted by reference. The codes so promulgated and any amendments thereof shall be based on the application of scientific principles, approved tests and professional judgment and, to the extent that it is practical to do so, the codes shall be promulgated in terms of desired results instead of the means of achieving such results, avoiding wherever possible the incorporation of specifications of particular methods or materials. To that end the codes shall encourage the use of new methods, new materials and maximum energy conservation.
[1973 c.834 §5]

456.775 Application of building code. (1) The state building code shall be applicable and uniform throughout this state and in all municipalities therein, and no municipality shall enact or enforce any ordinance, rule or regulation in conflict therewith.

(2) Subsection (1) of this section is operative:

(a) With regard to the state structural code, July 1, 1974.

(b) With regard to the state mechanical, heating and ventilating code, on the effective date of such code as determined under ORS 183.355.

(c) With regard to the prefabricated structures code, as provided by ORS 456.865 and 456.870.

(d) With regard to each specialty code not named by paragraphs (a) to (c) of this subsection, on the effective date, as determined under ORS 183.355, of the first amendments to such code adopted pursuant to ORS 456.750 to 456.885.
[1973 c.834 §6]

456.780 State Structural Code Advisory Board; members; term; chairman; quorum; compensation and expenses. (1) The director shall appoint a State Structural Code Advisory Board to serve as provided by ORS 456.750 to 456.885. The director may appoint additional advisory boards as needed to carry out the intent of ORS 456.750 to 456.885.

(2) The State Structural Code Advisory Board shall consist of the number of members fixed pursuant to ORS 670.340. The assistant to the administrator shall serve as secretary of the board but shall not be a member thereof. Each member shall be appointed to serve a four-year term, commencing July 1 of the year of appointment, and until his successor is appointed and qualified. The membership shall be broadly representative of the industries and professions involved in the development and construction of buildings including representation from building code enforcement agencies, architectural and engineering associations, building construction trades, the contracting and manufacturing industries, governing bodies of local government, fire protection agencies and the general public.

(3) The State Structural Code Advisory Board shall elect its own chairman, adopt rules for its procedure and meet on call of the chairman or majority of the members. A majority of the members shall constitute a quorum to do business. The director shall provide administrative facilities and services for the board.

(4) Members of the State Structural Code Advisory Board shall be entitled to compensation and expenses as provided by ORS 292.495.
[1973 c.834 §7]

456.785 Administrative Procedures Act application; publication of codes; amendments to code. (1) Except as otherwise provided by this section, the director shall be subject to ORS 183.310 to 183.500 in the adoption, amendment or repeal of regulations authorized by, and in the issuance of orders in contested cases arising under, ORS 456.750 to 456.885.

(2) In addition to the notice requirements of ORS 183.335, notice of a public hearing on adoption, amendment or repeal of a specialty code shall be given to the governing bodies of all municipalities and the notice shall state that copies of the proposed action may be obtained from the department.

(3) The director shall not be required to publish or distribute those parts of a code of regulations adopted by reference. However, the director shall publish with a specialty code and annually thereafter a list of places where copies of those parts of the code adopted by reference may be obtained together with the approximate cost thereof. The director shall file one copy of the complete code with the Secretary of State. However, all standards referred to in any specialty code or any of the modifications thereto need not be so filed. All standards referred to in the code shall be kept on file and available for inspection in the office of the director.

(4) Any interested person may propose amendments to the state building code, which proposed amendments may be either applicable to all municipalities or, where it is alleged and established that conditions exist within a municipality or some municipalities that are not generally found within other municipalities, amendments may be restricted in application to such municipalities. Amendments proposed to the state building code under this subsection shall be at least as restrictive as the regulations contained in the code and shall be in conformity with the policy and purpose prescribed by ORS 456.755. The justification and the particular circumstances requiring the proposed amendments shall be fully stated in the proposal. The director shall submit all proposed amendments to the appropriate advisory board. The board shall review and report its recommendations to the director on the amendments within 180 days after the date of submission by him.

(5) The director, with the approval of the advisory board, may adopt or modify and adopt any amendments proposed to him under subsection (4) of this section. The director shall, within 30 days after the date of receipt of the recommendations of the advisory board, notify the person proposing the amendments of the adoption, modification and adoption or denial of the proposed amendments. Upon adoption, a copy of each amendment shall be distributed to the governing bodies of all municipalities affected thereby.

(6) With the approval of the director, the administrator shall from time to time make or cause to be made investigations, or may accept authenticated reports from authoritative sources, concerning new materials or modes of construction intended for use in the construction of buildings or structures, or intended for use in other activity regulated by the state building code, and shall, where necessary, propose amendments to the code setting forth the conditions under which the materials or modes may be used, in accordance with the standards and procedures of ORS 456.750 to 456.885.
[1973 c.834 §9]

456.790 State Building Code Administrator; duties; assistant; qualifications; duties. (1) The director, with the approval of the Governor, shall appoint a State Building Code Administrator, who shall have general supervision over the administration of the state building code regulations that are the general responsibility of the director, including the plumbing, elevator, electrical, mobile home, boiler, amusement ride, structural; mechanical, heating and ventilating; and prefabricated structures codes. The administrator shall serve at the pleasure of the director and shall be in the unclassified service of the state. He shall perform such other duties as the director may assign.

(2) The administrator, with the approval of the director, shall appoint an assistant who shall be responsible for the administration of the structural code. The assistant shall be competent in the field of administration and shall have such experience and professional qualifications in building design, construction and supervision as the director considers necessary. The assistant may, with the approval of the director, employ inspectors and other personnel as necessary to carry out his function under ORS 456.750 to 456.885. He shall perform such other duties in administering the code as the director may assign.
[1973 c.834 §10]

456.795 Distribution of code. By April 1, 1974, the department shall distribute, upon request and without charge, one copy of the state building code to each municipality within the state. The distribution shall not include any parts of the code adopted by reference. Additional copies shall be made available to municipalities and interested persons for such fee as the director shall prescribe.
[1973 c.834 §11]

456.800 Municipal building official; city enforcement of codes; county enforcement of codes. (1) When a municipality administers and enforces all or part of the plumbing, electrical, structural or mechanical, heating and ventilating codes, the governing body of the municipality shall, unless other means are already provided, appoint a person to administer and enforce such specialty codes or parts thereof, who shall be known as the building official. A building official shall, in the municipality for which he is appointed, attend to all aspects of code enforcement, including the issuance of all building permits. Two or more municipalities may combine in the appointment of a single building official for the purpose of administering the provisions of the code within their communities.

(2) By May 1, 1974, the governing body of each municipality shall notify the director of the specialty codes or parts thereof that it will administer and enforce beginning July 1, 1974. If parts of specialty codes are to be administered and enforced by a municipality the parts shall correspond to a classification designated by the director as reasonable divisions of work by type of structure or installation, or by complexity of work.

(3) If a city does not notify the director, or notifies him that it will not administer certain specialty codes or parts thereof, the county or counties in which the city is located shall administer and enforce those codes or parts thereof within the city in the same manner as it administers and enforces them outside the city, except as provided by subsection (4) of this section.

(4) If a county does not notify the director, or notifies him that it will not administer and enforce certain specialty codes or parts thereof, the administrator shall contract with a municipality or use such state employes or state agencies as are necessary to administer and enforce those codes or parts thereof, and permit or other fees arising therefrom shall be paid into the State Treasury and credited to the account responsible for paying such expenses.

(5) The governing body of a municipality may change its building code administration and enforcement responsibility beginning July 1 of any year by notifying the director by May 1 of such year of the change to be made. Upon such change, responsibility shall be fixed as provided by subsections (3) and (4) of this section.
[1973 c.834 §12]

456.805 Definitions for ORS 456.805 to 456.835. As used in ORS 456.805 to 456.835, unless the context otherwise requires:

(1) "Building official" means a person charged by a municipality with responsibility for administration and enforcement of the state building code in the municipality.

(2) "Inspector" means a person acting under the authority and direction of a building official and charged with the responsibility of routine enforcement of any specialty code.
[1973 c.834 §13]

456.810 Standards and qualifications for personnel. (1) In accordance with applicable provisions of ORS chapter 183, to promote effective and uniform enforcement of the state building code by improving the competence of building officials and inspectors, the director, with the advice of the advisory boards, shall:

(a) Establish for building officials and inspectors reasonable minimum training and experience standards, including but not limited to courses or subjects for instruction, facilities for instruction, qualification of instructors, methods of instruction and classification of responsibility.

(b) Establish a procedure to be used by municipalities to determine whether a person meets minimum standards or has minimum training to be appointed or employed as a building official or inspector.

(c) Subject to such terms, conditions and classifications as the director may impose, certify building officials as being qualified, and revoke such certifications in the manner provided in ORS 456.835.

(d) Subject to such terms, conditions and classifications as the director may impose, certify inspectors as being qualified to enforce one or more particular specialty codes, and revoke such certifications in the manner provided in ORS 456.835.

(2) The director shall maintain and, upon request of municipalities, furnish information on applicants for appointment or employment as building officials or inspectors.

(3) Pursuant to ORS chapter 183, the director shall adopt rules necessary to carry out the certification programs provided by this section.
[1973 c.834 §14]

456.815 Certification of personnel training programs. (1) Upon application, the director or his authorized representative shall examine and evaluate any program or facility established by a municipality or educational institution for the training of building officials and inspectors.

(2) If the director finds that a training program is qualified under the minimum requirements established pursuant to ORS 456.810, the director shall, in writing, certify the training program as being qualified for such a period of time and upon such conditions as the director may prescribe. An individual complies with any minimum requirement for building officials or inspectors established pursuant to ORS 456.810 when he satisfactorily completes a training program certified under this section.
[1973 c.834 §15]

456.820 Certification of personnel required. After July 1, 1977, no person shall be appointed or employed as a building official or inspector by any municipality unless he has been certified as being qualified under ORS 456.805 to 456.835, and the certification has not lapsed or been revoked.
[1973 c.834 §16]

456.825 Application for certification; fee; certification content. (1) Any person desiring to be certified as a building official or inspector pursuant to ORS 456.805 to 456.835 shall make application to the director upon such forms as the director may prescribe for such purpose.

(2) Each person applying for certification pursuant to this section shall pay a fee of $20. If for any reason the application is withdrawn, or the certification is not granted, one-half of the application fee shall be refunded to the applicant.

(3) Upon determining that the applicant is qualified under ORS 456.805 to 456.835, the director shall issue or cause to be issued to the applicant a certificate setting forth the class and any restrictions upon his certification, including, if he is an inspector, the particular specialty codes which he is certified to enforce.
[1973 c.834 §18]

456.830 Lapse of certification; application for certification after lapse. The certification of any building official or inspector who does not serve in such capacity for a period of time in excess of three consecutive months, unless he is on a leave of absence from a municipality and intends to return to his position upon the conclusion of such leave, shall be considered lapsed. Upon reemployment as a building official or inspector, a person whose certification has lapsed may apply for certification in the manner provided in ORS 456.825.
[1973 c.834 §17]

456.835 Revocation of certification. (1) The director may, upon notice and hearing, revoke the certification of any building official or inspector when it appears to him by competent evidence that the building official or inspector has consistently failed to act in the public interest in the performance of his duties. In any revocation proceeding under this section, the municipality that employs the building official or inspector shall be entitled to appear as a party in interest, either for or against the revocation.

(2) Nothing in this section shall be construed to limit or otherwise affect the authority of a municipality to dismiss or suspend a building official or inspector at its discretion.
[1973 c.834 §19]

456.840 Review of plans and specifications to determine compliance; effect of approval. The administrator may, upon an application setting forth a set of plans and specifications that will be utilized in one or more municipalities to acquire building permits, review and approve the application for the construction or erection of any building or structure if such set of plans meets the requirements of the state building code. All costs incurred by the administrator by virtue of the examination of such a set of plans and specifications shall be paid by the applicant. The plans and specifications or any plans and specifications required to be submitted to a state agency shall be submitted to the administrator who shall examine the instruments and if necessary distribute them to the appropriate state agencies for scrutiny regarding adequacy as to fire safety

and all other appropriate features. The state agencies shall examine and promptly return the plans and specifications together with their certified statement as to the adequacy of the instruments regarding that agency's area of concern. Any building official shall issue a building permit upon application and presentation to him of such a set of plans and specifications bearing the approval of the administrator if the requirements of all other local ordinances are satisfied.
[1973 c.834 §20]

456.845 Rulings on acceptability of material, design or method of construction; effect of approval. (1) Any person who desires to use or furnish any material, design or method of construction or installation in the state, or any building official, may request the director to issue a ruling with respect to the acceptability of any material, design or method of construction about which there is a question under any provision of the state building code. Requests shall be in writing and, if made by anyone other than a building official, shall be made and the ruling issued prior to the use or attempted use of such questioned material, design or method.

(2) In making rulings, the director shall obtain the approval of the appropriate advisory board as to technical and scientific facts and shall consider the standards and interpretations published by the body that promulgated any nationally recognized model code adopted as a specialty code of this state.

(3) A copy of the ruling issued by the director shall be certified to the person making the request. Additional copies shall be transmitted to all building officials in the state. The director shall keep a permanent record of all such rulings, and shall furnish copies thereof to any interested person upon payment of such fees as the director may prescribe.

(4) A building official or inspector shall approve the use of any material, design or method of construction approved by the director pursuant to this section if the requirements of all other local ordinances are satisfied.
[1973 c.834 §21]

456.850 Appeal to advisory boards. Any person aggrieved by the final decision of a municipal appeals board or a subordinate officer of the department as to the application of any provision of a specialty code may, within 30 days after the date of the decision, appeal to the appropriate advisory board. The appellant shall submit a fee of $20, payable to the director, with his request for appeal. The final decision of the involved municipality or state officer shall be subject to review and final determination by the appropriate advisory board as to technical and scientific determinations related to the application of the specialty code involved.
[1973 c.834 §22]

456.855 Validity of certain building permits. Building permits or certificates of occupancy validly issued before July 1, 1974, regarding buildings or structures being constructed or altered pursuant thereto, shall be valid thereafter and the construction may be completed pursuant to the building permit, unless the building official determines that life or property is in jeopardy.
[1973 c.834 §23]

456.860 Surcharge on municipal building permit fees; collection; deposit. (1) For the purpose of defraying the costs of training and other educational programs administered by the department under ORS 456.750 to 456.885 there is hereby imposed a surcharge in the amount of one percent of the total building permit fees collected by a municipality in connection with the construction of, or addition or alteration to, buildings and equipment or appurtenances on and after July 1, 1973.

(2) Permit surcharges shall be collected by each municipality and remitted to the administrator. Each municipality having a population greater than 40,000 shall, on a monthly basis, prepare and submit to the administrator a report of permits and certificates issued in each class or category and fees and surcharges thereon collected during the month, together with other statistical information as required by the director concerning construction activity regulated by the parts of the state building code administered by the municipality. All other municipalities shall submit such a report on a quarterly basis. The report, which shall be in a form prescribed by the director, shall be submitted, together with a remittance covering the surcharges collected, by no later than the 15th day following the month or quarter in which the surcharges are collected.

(3) All surcharges and other fees prescribed by ORS 456.750 to 456.885 and payable to the department, except fees received

under subsection (4) of ORS 456.800, shall be deposited by the director in the State Treasury for credit to the Building Code Account created by ORS 456.890.
[1973 c.834 §25]

456.865 Duration of effect of ORS 456.870. On the effective date on which regulations promulgated by the director regarding prefabricated structures are given the force and effect of law under ORS 183.355, this section and ORS 456.870 shall expire and have no force and effect. Until such time as the director adopts such regulations, the rules set forth in ORS 456.870 shall be a part of the state building code and govern the regulation of prefabricated structures.
[1973 c.834 §26]

456.870 Temporary rules. (1) Rule 1. General.

(a) Purpose. The purpose of these rules is to regulate materials and establish methods of safe construction where any structure or portion thereof is wholly or partially prefabricated.

(b) Scope. Unless otherwise specifically stated, all prefabricated construction and all materials used therein shall conform to all requirements of this code, except as otherwise noted.

(c) Definitions.

(A) "Code" means the requirements, standards, rules and regulations set forth in this section.

(B) "Prefabricated structure" has the meaning given that term by ORS 456.750.

(C) "Installation" means the assembly of a prefabricated structure on site, and the process of affixing the structure to land, a foundation, footings or an existing building.

(2) Rule 2. Tests and materials. Every approval of a material not specifically mentioned in this code may incorporate as a proviso the kind and number of tests to be made during prefabrication.

(3) Rule 3. Tests of assemblies. The state building code administrator may require special tests to be made on prefabricated structures to determine their durability and weather resistance.

(4) Rule 4. Connections. Every device designed to connect prefabricated assemblies shall be capable of developing the strength of the members connected, except in the case of members forming part of structural frame designed as specified in other parts of the code. The connection device shall be designed as required by the other parts of the code.

(5) Rule 5. Pipes and conduits. In structural design, due allowances shall be made for any material to be removed for the installation of pipes, conduits or other equipment or for on-site inspection.

(6) Rule 6. Certificate and inspection of materials and manufacture.

(a) Before any material is delivered to the site, the manufacturer shall submit complete details, drawings and specifications of the assembly for the approval of the state building code administrator. No prefabricated structure shall be sold, offered for sale or installed in the state and no permit shall be issued with respect to a building consisting in whole or part of a prefabricated structure unless the materials therein and manufacture thereof have been certified by the administrator to be in compliance with the code. The administrator shall make such inspections as necessary to insure compliance and may send inspectors into other states to inspect the manufacture of prefabricated structures to be sold, offered for sale or installed in the State of Oregon. All costs incurred by the administrator by virtue of the inspection of materials and manufacture shall be paid by the involved manufacturer. Following inspection and payment by the manufacturer of the costs arising therefrom the administrator shall issue a certification with respect to each prefabricated structure considered to be in compliance with the code and a copy of the certificate shall be affixed to the structure or part thereof. The certification by the administrator that a prefabricated structure complies with the code shall be conclusive on all agencies and instrumentalities of the state, its political subdivisions and municipalities. The administrator shall require a certificate from the manufacturer which shall:

(A) Identify the manufacturer of the prefabricated structure or component of the prefabricated structure.

(B) Identify, by serial number or otherwise, the particular prefabricated structure or component of the prefabricated structure being certified as in compliance with the code.

(C) Certify that the materials used in the manufacture of prefabricated structures or component of the prefabricated structures are in compliance with the code.

(b) After certification no changes in or modifications to the prefabricated structure

or part thereof may be made by the manufacturer without the approval of the administrator.

(7) Rule 7. On-site assembly and installation. The installation of prefabricated structures shall comply with the provisions of the code and shall be subject to the inspection of the building official of the jurisdiction in which the site is situated.

(8) Rule 8. Continuous inspection. If continuous inspection is required for certain materials where construction takes place on site, it shall be required where the same materials are used in prefabricated construction.
[1973 c.834 §27]

456.875 Authorized substitutions in codes adopted by reference. For the purposes of the codes of regulations adopted under ORS 456.750 to 456.885, unless the context clearly indicates otherwise, the following substitutions shall be made in any code adopted by reference as part of the state building code:

(1) "Building official" for "administrative authority."

(2) "Governing body" for "mayor" and "city council."

(3) "Municipality" for "city."
[1973 c.834 §28]

456.880 Reciprocity for prefabricated structures. If the director determines that the standards for prefabricated structures prescribed by statute, rule or regulation of another state are at least equal to the regulations prescribed under ORS 456.750 to 456.885, and that such standards are actually enforced by such other state, he may provide by regulation that prefabricated structures approved by such other state shall be deemed to have been approved by the director.
[1973 c.834 §29]

456.885 Prohibited acts; penalty. (1) A person shall not:

(a) Violate or procure, aid or abet in the violation of any final order concerning the application of a provision of the state building code in a particular case made by the director, an advisory board, a state administrative officer or any local appeals board, building official or inspector.

(b) Engage in or procure, aid or abet any other person to engage in any conduct or activity for which a permit, certificate, label or other formal authorization is required by any specialty code or other regulation promulgated pursuant to ORS 456.750 to 456.885 without first having obtained such permit, certificate, label or other formal authorization.

(2) Violation of subsection (1) of this section is a Class B misdemeanor. In the case of a continuing violation, every day's continuance of the violation is a separate offense.
[1973 c.834 §24]

456.890 Building Code Account. There hereby is established in the General Fund of the State Treasury the Building Code Account. Except as otherwise provided by law, all moneys appropriated or credited to the Building Code Account hereby are appropriated continuously for and shall be used by the Director of Commerce for the purpose of carrying out the duties and responsibilities imposed upon the Department of Commerce, its officers or divisions, under ORS 446.155 to 446.200, 447.010 to 447.140, 456.750 to 456.885, 460.005 to 460.175, 460.310 to 460.380, 479.510 to 479.850, 480.510 to 480.615 and ORS chapter 693.
[1973 c.834 §38]

CERTIFICATE OF LEGISLATIVE COUNSEL

Pursuant to ORS 173.170, I, Thomas G. Clifford, Legislative Counsel, do hereby certify that I have compared each section printed in this chapter with the original section in the enrolled bill, and that the sections in this chapter are correct copies of the enrolled sections, with the exception of the changes in form permitted by ORS 173.160 and other changes specifically authorized by law.

Done at Salem, Oregon,
on November 1, 1973.

Thomas G. Clifford
Legislative Counsel