



DEPARTMENT OF JUSTICE
APPELLATE DIVISION

April 2, 2018

Stephen N. Trout
Director, Elections Division
Office of the Secretary of State
255 Capitol St. NE, Suite 501
Salem, OR 97310



Re: Proposed Legislative Referral — Amends Constitution: Allows Local Bonds for Financing Affordable Housing with Nongovernmental Entities. Requires Voter Approval, Annual Audits.

DOJ File #LR 401; Elections Division #2018-401

Dear Mr. Trout:

We have prepared and hereby provide to you a draft ballot title for the above-referenced prospective initiative petition. The proposed measure relates to allowing local governments to issue bonds to finance affordable housing when the funds go to nongovernmental entities.

Written comments from the public are due to you within ten business days after your receipt of this draft title. A copy of all written comments provided to you should be forwarded to this office immediately thereafter.

A copy of the draft ballot title is enclosed.

Sincerely,

/s/ Megan Bradley

Megan Bradley
Legal Secretary

Enclosure

cc: Legislative Assembly

MB8/8849778

DRAFT BALLOT TITLE

Amends Constitution: Allows local bonds for financing affordable housing with nongovernmental entities. Requires voter approval, annual audits

Result of “Yes” Vote: “Yes” vote amends constitution to allow local governments to issue bonds to finance affordable housing with nongovernmental entities. Requires voter approval, annual audits, public reporting.

Result of “No” Vote: “No” vote retains constitutional prohibition on local governments raising money for/ loaning credit to nongovernmental entities; no exception for bonds to pay for affordable housing.

Summary: Amends Constitution. The constitution currently prohibits most local governments from raising money for, or loaning credit to, or in aid of, any private entity. Measure allows local governments to issue general obligation bonds to finance the cost of constructing affordable housing including when the funds go to a nongovernmental entity. Measure requires that local authorizing bonds be approved by voters and describe affordable housing to be financed. The jurisdiction authorizing bonds must provide annual audits and public reporting on bond expenditures. Measure limits jurisdiction’s bonded indebtedness for capital costs of affordable housing to one-half of one percent of the value of all property in the jurisdiction.

