

**CITY OF BOARDMAN
ORDINANCE NO. 6-2026**

AN ORDINANCE IMPLEMENTING THE MODERATE-INCOME REVOLVING LOAN PROGRAM AND AUTHORIZING THE CITY TO ENTER INTO AGREEMENTS WITH OREGON HOUSING AND COMMUNITY SERVICES (OHCS)

WHEREAS, the City of Boardman (City), as a “Sponsoring Jurisdiction” under 2024 SB 1537, as amended under 2025 SB 48 (the “legislative bills”), desires to establish a Moderate-Income Revolving Loan (MIRL) Housing Project Grant Program (“MIRL Program”) to spur certain housing development activities within the City using a tax increment financing-based resource structure capitalized by the State of Oregon, or alternatively using a loan-based resource structure as set forth under 2025 SB 48; and

WHEREAS, the City desires to establish a local MIRL Grant Program (the “Local MIRL Program”) to provide financial assistance to developers for “Eligible Housing Projects”, as defined under the legislative bills, following state established income level guidelines and using funds obtained through the MIRL Program; and

WHEREAS, the City seeks to facilitate the development of a diverse range of housing types to increase affordability and housing availability within the City.

NOW, THEREFORE, THE PEOPLE OF BOARDMAN DO ORDAIN AS FOLLOWS:

SECTION 1: DEFINITIONS

For purposes of this Ordinance, the following definitions apply:

1. **Affordability Requirements:** The income and affordability restrictions applicable to housing projects receiving funding under the local MIRL Grant Program.
 - a. If For-Sale / Homeownership Housing: Affordable to, and sold or offered for sale to, households with very low income, low income, or moderate income, as those terms are defined in ORS 458.610, continuously from initial sale for a period set forth in a Loan Agreement of not less than the Loan Term.
 - b. If Rental Housing: Rented to households with very low income, low income, or moderate income, as those terms are defined in ORS 458.610, and rented at a monthly rate (rent plus a utility allowance set by the Sponsoring Jurisdiction) that is affordable to households with very low income, low income, or moderate income, such affordability to be maintained for a period set forth in a Loan Agreement of not less than the Loan Term.

2. **Annual Increment:** The amount that results when the County Tax Officer takes the amount in paragraph (A) of this definition and subtracts from it the amount in paragraph (B):
 - a. Using the last certified assessment roll for the property tax year in which an application for MIRL Program Funds is received, the County Tax Officer determines the amount of property taxes assessed against all tax accounts that include the Eligible Housing Project Property, and then subtracts the amount of operating taxes as defined in ORS 310.055 and local option taxes as defined in ORS 310.202 levied by fire districts.
 - b. For the first property tax year for which the completed Eligible Housing Project Property is estimated to be taken into account, the County Tax Officer determines the estimated amount of property taxes that will be assessed against all tax accounts that include the Eligible Housing Project Property and subtracts the estimated amount of operating taxes and local option taxes levied by fire districts.
3. **Eligible Housing Project:** A project that constructs new housing or converts a non-residential building into housing and that meets MIRL Program requirements as set forth in applicable statutes and administrative rules (Oregon Administrative Rules chapter 813, division 410).
4. **Grant Agreement:** A legally binding contract between the City and a developer outlining the use of Grant Funds.
5. **Grant Funds:** The project grant moneys that a Sponsoring Jurisdiction awards to a developer via a Grant Agreement.
6. **Project Loan:** Any loan made by the Sponsoring Jurisdiction to a developer under the provisions of Section 10, Oregon Senate Bill 48.
7. **Loan Term:** The presumptive number of years that a Sponsoring Jurisdiction has to repay a Program Loan to OHCS. The Loan Term is multiplied by the Annual Increment to determine the maximum Project Grant award. As a result of the way in which the Program Fee is calculated, in most instances, the Sponsoring Jurisdiction will repay the Program Loan to OHCS before the end of the Loan Term. The Loan Term may not exceed the greater of:
 - a. Ten years following July 1 of the first property tax year for which the completed Eligible Housing Project Property is estimated to be taken into account; or
 - b. If agreed to by the Sponsoring Jurisdiction and OHCS, and if authorized by the Sponsoring Jurisdiction's Originating Ordinance or Resolution, the period of time required for the Program Loan to be repaid in full.

8. **Local Site Approval:** a finding by the City that a proposed housing project:
 - a. Complies with applicable zoning and building codes;
 - b. Has adequate infrastructure capacity, or that developers can show that they will build to accommodate added capacity as part of the project;
 - c. Aligns with the City's Comprehensive Plan and housing goals; and
 - d. Has or is eligible to receive all necessary land use entitlements and approvals.
9. **Program Loan:** The loan provided by OHCS to the City for the purpose of funding Project Grants and Project Loans.
10. **Sponsoring Jurisdiction:** The City of Boardman (also referred to herein as the "City").

SECTION 2: ESTABLISHMENT OF PROJECT FUNDING PROGRAM

The City hereby establishes a local MIRL Project Funding Program, which is intended to conform in all respects to the provisions of the MIRL Program, including SB 1537, SB 48, and OAR chapter 813, division 410. This local MIRL Project Funding Program shall provide financial assistance through either loans or grants to developers for Eligible Housing Projects using funds obtained through Program Loans from OHCS.

SECTION 3: COMPLIANCE PLAN

The City shall enforce Affordability Requirements and compliance measures through the following Compliance Plan, which may be amended by City Council as needed via resolution. To ensure affordability and compliance with MIRL requirements, the following measures are adopted:

1. Recordkeeping: It is the responsibility of the developer, initial property owner, or any successive owner, to maintain all compliance related records in a readily available format for inspection or audit at any time by City, County, or State officials.
2. Annual Reporting: It shall be the responsibility of the property owner or any successive owner to submit an annual compliance report [JG6.1] verifying continued adherence to affordability requirements. This report shall be submitted before June 30th of each calendar year to the City's designated program manager and shall also be provided to the City Manager and the County Assessor, both as applicable, for their review. Failure to report shall result in a financial penalty of \$25 per day, with a max of \$2,500.
3. Affordability Covenant: The developer shall record a covenant or deed restriction ensuring affordability for the Loan Term or ten (10) years, whichever is longer.

4. Monitoring: The City's Program Manager, or their designee, shall conduct periodic reviews of submitted documentation and inspect properties as necessary to ensure compliance.

SECTION 4: PROJECT FUNDING ELIGIBILITY & LIMITATIONS

To qualify for the local MIRL Funding Program, a project must:

1. Be an Eligible Housing Project;
2. Be as required by SB 1537, SEC. 25(2)(a): for-sale property (a single-family dwelling, middle housing as defined in ORS 197A.420, or a multifamily dwelling) or rental property (middle housing as defined in ORS 197A.420, a multifamily dwelling, an accessory dwelling unit as defined in ORS 215.501, or any other form of affordable housing or moderate income housing);
3. Comply with all MIRL Program requirements, including the provisions of SB 1537, SB 48, and OAR chapter 813, division 410; and
4. Meet Local Site Approval as defined above.

SECTION 5: PROGRAM ADMINISTRATION

The City Manager, or their designee, shall be responsible for the administration of the local MIRL Program, including:

- Developing a MIRL application process consistent with this Ordinance and all MIRL Program requirements;
- Reviewing and provisionally approving project applications;
- Project monitoring and compliance;
- Ensuring compliance with OHCS requirements; and
- Submitting required reports to OHCS.

SECTION 6: UTILITY ALLOWANCE CALCULATION FOR RENTAL HOUSING

The City shall determine utility allowances for rental units using the HUD Utility Schedule Model, actual usage data, or comparable jurisdiction schedules. The City shall apply a tiered utility allowance scale that is inversely proportional to household income level, such that households earning closer to 50% of Area Median Income (AMI) are eligible for a higher utility allowance, while households closer to 120% AMI shall receive a lower utility allowance. This tiered approach shall promote equitable affordability across income levels.

SECTION 7: TAX EXEMPTION

With respect to the Grant Program, the City will work with the Morrow County Tax Assessor to establish a process for exempting property taxes for the approved projects. The City will also coordinate with the Morrow County Tax Assessor to determine the program fee for each project. With respect to project loans, the City will work with Morrow County Tax Assessor to determine the tax increment applicable to the project, which will be used to set the upper limit of the project loan amount from the City. Tax estimations and exemption amounts will be determined using OHCS-provided proformas and amortizations schedules in accordance with MIRL Program requirements.

SECTION 8: AGREEMENTS WITH OHCS

By adoption of this ordinance, the City Council authorizes the City Manager to enter into a Master Agreement with OHCS to establish the terms under which the City will receive Program Loans and Grant Funds. The City Manager shall also enter into an Agreement with OHCS for each approved project.

SECTION 9: SEVERABILITY

If any provision of this Ordinance is found to be invalid, the remaining provisions shall continue in full force and effect.

SECTION 10: REPEAL AND REPLACE

This Ordinance will repeal and replace Ordinance No. 4-2026 adopted on March 3, 2026, due to identified inconsistencies and inaccuracies.

SECTION 11: EFFECTIVE DATE

This ordinance shall take effect immediately upon adoption to maintain program implementation.

Passed by the Council and approved by the Mayor this 7th day of April 2026.

Paul Keefer, Mayor

ATTEST:

Amanda Mickles, City Clerk