



# OREGON DEPARTMENT OF FISH AND WILDLIFE POLICY

## Human Resources Division

<b>Title:</b>	<b>State-Owned Rental Housing</b>	<b>HR_420_07</b>
<b>Supersedes:</b>	HR-420_07, dated May 15, 2012	
<b>Applicability:</b>	All employees	
<b>Reference:</b>	ORS 182.425, ORS 90.320 and OAR 125-060	
<b>Effective Date:</b>	September 27, 2021	<b>Approved:</b> <i>Curtis E. Malina</i>

### I. PURPOSE

The purpose of this directive is to provide policy guidance to and uniformity throughout the Oregon Department of Fish and Wildlife (ODFW) relating to administration of employee rental housing and related rental contracts.

### II. POLICY

A. It is the policy of ODFW to provide state-owned housing where it is necessary for the operation of hatcheries and wildlife areas, and it is in the best interest of the state to have the premises occupied by an employee to provide for the department's business needs related to security, protection of product, public service and safety. If an employee is required to live in state-owned housing it shall be a condition of employment and included in the position description.

The Human Resources Administrator is responsible for ensuring the overall rental housing policies are developed, updated, and followed on a statewide basis, and provides rental housing policy and procedure guidance to department personnel.

1. Determination and/or Review of Rental Rate
  - a. The Realty Unit of the Contract Services Section of the Administrative Services Division is responsible for:
    - 1) Determining the fair market rental value of department rental housing units, with such determination being made by a qualified appraiser as certified under ORS 308.010. The appraiser shall consider all market factors unique to each housing unit, including the value of utilities and services if provided or paid for by ODFW.
    - 2) Re-examining the fair market rental value of department rental housing units, by a qualified appraiser certified under ORS 308.010, when the department determines the market conditions have changed but not less frequently than once every five years.

- 3) Fair market rental value appraisals shall be kept on file by the Realty Unit of the Contract Services Section of the Administrative Services Division.

2. Rental Rate Reduction

- a. In determining whether reductions are necessary, ODFW shall consider factors such as the department's justifiable need for having an employee occupy the housing in a specific location, invasion of the employee's privacy, isolation, and inequities between the fair rental value as determined under ORS 182.425(1). The extent of rental reductions for each unit may be determined by applying the schedule of reductions provided under Section A.2.c. through A.2.f. of this policy. Records supporting reasons or justifications for any rental reductions applied shall be kept by the Human Resources Division.
- b. Tax issues. For employees receiving credits and/or reductions from fair market value of rental housing rates, which do not include a reduction due to such housing being a part of the job requirement, the amount of credit and/or reduction is a taxable benefit, and is listed as such on the payroll system. The total credit and/or reduction will appear on the employees W-2 for reporting purposes. Employees whose housing is a job requirement as documented on their position description are not required to have any reduction of rent added to their W-2 for reporting purposes. Employees are encouraged to consult a tax professional for advice on reporting their tax liabilities and allowable moving expenses.
- c. Reduction for ODFW Need to Have its Housing Occupied. When the department determines there is a need for an employee to occupy such housing at such locations as it exists, the reduction may not be more than 50 percent of the fair rental value.

The specific amount by which the rent is to be reduced shall be determined by applying the following standards:

- 1) Residence in such housing is a part of the job requirement as evidenced by contract or position description, and not offered as an incentive or a fringe benefit to the resident ODFW employee – 50 percent reduction; (pre-tax payroll deduction is applied to the adjusted fair rental value only.)
- 2) Residence in such housing is not a job requirement but is a distinct advantage to the department by having the employee live close to the job in case of an emergency, and for a general protection to the public property in the area – 20 percent reduction (taxable payroll deduction is applied to the adjusted fair rental value only – see A.2.b;
- 3) Residence in such housing is not a job requirement. The only advantage to the department is for the residence to be occupied to reduce the chance of vandalism and deterioration – 10 percent reduction (taxable payroll deduction is applied to the adjusted fair rental value only – see A.2.b;

- 4) Residence in such housing is not a job requirement, nor is it for the benefit of the department. It is solely for the convenience or by choice of the employee -- no reduction.
  - 5) At department discretion, 100 percent reduction can be provided for short-term residence in such housing in cases of cooperating university and/or internship programs (e.g., OSP Cadets, OSU students), cooperating agencies or tribes.
- d. Reduction for Invasion of Privacy. Reduction for the invasion of privacy of the resident of such housing shall be not more than 30 percent from the fair rental value, and the specific amount by which the rent is to be reduced shall be determined by applying the following standards:
- 1) The housing or a significant part of it is used for a public office or public business, or is so located that invasion of privacy is considered frequent, expected or invited – 30 percent reduction. "Frequent" here means at least once per week on a yearly average;
  - 2) Public is not invited and invasion is not the usual occurrence, but the residence's location or the architecture plainly indicates its state ownership with little or no restriction on public – 20 percent reduction;
  - 3) Invasion of privacy is an occasional or seasonal occurrence, and some restriction to public traffic is applied -- 10 percent reduction;
  - 4) Invasion of privacy is no more than that which would be expected for an average privately owned residence -- no reduction.
- e. Reduction for Isolation. Reduction for isolation of the resident shall be not more than 20 percent of fair rental value. To evaluate the isolation factor, ODFW may consider factors such as distance from the Nearest Full-Service Community, difficult road conditions or services. A Full-Service Community is defined as one complete with supermarket, department store, medical doctor, dentist, church, school, etc.

A rent reduction may be allowed for such isolation according to the following standards:

- 1) The housing is located in an isolated area, which is defined as being more than 50 miles or 90 minutes travel by automobile, one way, from the Nearest Full-Service Community, or the travel conditions are usually severe or hazardous, or there is a shortage of essential services.-- 20 percent reduction;
- 2) The housing is located 30 to 50 miles or 60 to 90 minutes travel time, one way, from the Nearest Full-Service Community or the travel conditions are seasonally severe or hazardous, or there is a lack of services -- 15 percent reduction;

- 3) The housing is located about 10 to 30 miles or 30 to 60 minutes travel time, one way, from the Nearest Full-Service Community, the travel conditions are seldom severe or hazardous, -- 10 percent reduction;
  - 4) The housing is located within ten miles and not over 30 minutes travel one way from the Nearest Full-Service Community, -- no reduction.
- f. Reduction for Unique Conditions. When the employee is required by ODFW to occupy ODFW-provided housing as a condition of employment, ODFW may apply a rental reduction for unique conditions according to the following standards:
- 1) As a unique condition, when a reduction from the fair market rental value is needed by the ODFW to establish a uniform rental schedule for like houses provided in different locations to enable intra-agency geographical transfers of employees -- reduction to the extent necessary and reasonable to establish a uniform rental schedule;
  - 2) As a unique condition, when a reduction from the fair market rental value is needed to correct inequities between the fair market rental value of housing and the salary of the employee occupying the residence -- reduction to the extent necessary and reasonable;
  - 4) Other factors not previously considered in the reduction schedule may be considered unique conditions when necessary and justifiable for ODFW's effective program management -- a reduction up to 20 percent. (Factors reflecting only employee convenience or comfort, without a corresponding impact on ODFW's program management, shall not be considered unique conditions).
- g. The rental reductions authorized in sections A.2.c. through A.2.f. of this policy for employees, when combined, are typically not more than 80 percent of the fair market rental value, when justified, and may be up to 90% based on applicable rental rate reduction standards.
3. Reporting and Auditing
- a. The Administrative Services Division Administrator shall annually report to the Facilities Division, Department of Administrative Services (DAS) the following information:
    - 1) Listing of all housing provided by the department.
    - 2) Rental rate reduction calculation and net rental rate.
    - 3) Any other documentation requested by DAS for this annual report.
  - b. The Hatchery or Wildlife Area Manager will forward to the ODFW Administrative Services Division Disbursements Unit in Salem copies of the Employee Residential Rental Agreement Form (Attachment A) and related attachments A-F (Attachment A), including the Payroll Deduction Authorization Form, when employees occupy a department rental housing unit.

- c. Payroll Staff within the Disbursements Unit will enter the appropriate payroll deduction based on designated rental rates, and will forward necessary rental information to the Accounts Payable staff of the Disbursements Unit for retention.
  - d. The ODFW shall employ an independent auditor selected by DAS to determine compliance with OAR 125-060. Audit will be conducted every three years. The audit will be coordinated and budgeted by the Administrative Services Division Administrator or designee.
4. Rental Housing Policy and Employee Residential Rental Agreement
- a. The Human Resources Administrator and the Administrative Services Division Administrator, with Regional representation, will review and update the Employee Residential Rental Agreement (Attachment A) as needed, but not less frequently than once every five years.
  - b. Hatchery and Wildlife Area Managers ensure rental housing policies and procedures are followed within their scope of responsibility.
  - c. All employees renting department owned housing will complete and sign the Employee Residential Rental Agreement (see Attachment A).
  - d. Signed original Employee Residential Rental Agreement documents and net rental rate reduction forms will be kept on file in the Accounts Payable Unit of Administrative Services Division.
  - e. The Disbursements Unit will validate rent reduction forms against rent reduction schedule. Irregularities or issues will be referred to the Human Resources Administrator to be reconciled.
  - f. Hatcheries and Wildlife Area Managers will ensure rental contracts are maintained and enforced, and will notify the Disbursements Unit of the Administrative Services Division within three working days but no later than prior to Payroll cutoff of the department terminating the rental agreement and use of the housing unit.

5. Collection of Rent

The Administrative Services Division Administrator ensures procedures for collecting rent as a payroll deduction are followed.

- a. Rent will be collected for housing based on the fair market rental value, subject to any applicable rental reductions as determined in section A.2.c. through A.2.f.
- b. Rent will be collected by payroll deduction.
- c. Rent for a partial month shall be prorated for the number of calendar days of the month that the housing is occupied by the employee.

- d. ODFW may bring an action against Tenant at any time to recover unpaid rent.
6. Rental Unit Repair and Maintenance
    - a. The department will make all structural, mechanical, plumbing and electrical repairs in order to keep the premises in good and safe order in accordance with ORS 90.320. Major work will be coordinated by the hatchery or wildlife area manager with the Facilities and Engineering Section.
    - b. Pursuant to the Rental Agreement (Attachment A): Tenants are responsible to provide reasonable care of housing fixtures, interiors and grounds as outlined in the Employee Residential Rental Agreement.
    - c. Tenant is responsible for all repairs necessitated by negligence or willful act of tenant or tenant's invitees. Unsatisfactory care, once identified and not corrected in a timely manner, may result in disciplinary actions and/or cleaning and damage charges to the tenant. ODFW may bring an action against Tenant at any time to recover repair costs due to damages and destruction.
    - d. Tenant is responsible to report safety and maintenance deficiencies to the Hatchery and Wildlife Area Manager in a timely manner by submitting a Housing Maintenance Request form to their supervisor (Attachment K).
    - e. All housing utilities (e.g., heat, electricity, gas, oil, telephone, etc) are the responsibility of the occupants as outlined in the Employee Residential Rental Agreement. Fuel tanks at department-owned housing will be full upon arrival of tenant and left full by the tenant upon moving out of the housing.
    - f. The State of Oregon does not insure any loss of personal property. Employees living in state housing are expected to provide their own personal property insurance.
    - g. The Hatchery or Wildlife Area Manager and Tenant will inspect the premises and complete the Housing Inspection Form (Attachment C) at the beginning and ending of Employee Residential Rental Agreement and at least every two (2) years throughout the duration of the Agreement. The premises may also be inspected at other times pursuant to the conditions outlined in the Rental Agreement to determine state of unit and needed repairs.

Attachment A: Employee Residential Rental Agreement, with attachments A-K (available under ODFW Inside/HR Forms)