

House Bill 2050

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of House Interim Committee on Land Use)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Modifies requirements and procedure for city to annex territory surrounded by city.

A BILL FOR AN ACT

1 Relating to annexation; creating new provisions; and amending ORS 222.750.

2 **Be It Enacted by the People of the State of Oregon:**

3 **SECTION 1.** ORS 222.750 is amended to read:

4 222.750. (1) **As used in this section, "municipal services" includes, but is not limited to,**

5 **urban services as defined in ORS 195.065.**

6 (2) **If the governing body of a city finds by clear and convincing evidence that annexation**

7 **is necessary to provide essential municipal services that are not otherwise available to real**

8 **property in territory that** [*When territory not within a city*] **is surrounded by the corporate**

9 **boundaries of the city, or by the corporate boundaries of the city and the ocean shore or a stream,**

10 **bay, lake or other body of water, [it is within the power and authority of that city to annex such ter-**

11 **ritory. However,] the city may annex the territory pursuant to this section after holding at**

12 **least one public hearing on the subject for which notice has been mailed to each record**

13 **owner of real property in the territory proposed to be annexed.**

14 (3) This section does not apply when the territory not within a city:

15 (a) Is surrounded entirely by water; or

16 (b) **Is surrounded in part by a portion of the city that consists only of a public right of**

17 **way.**

18 (4) Unless otherwise required by its charter, annexation by a city under this section [*shall*]

19 **must** be by ordinance or resolution subject to referendum, with or without the consent of any owner

20 of property within the territory or resident in the territory.

21 (5) **Annexation by a city under this section must provide for a phase-in of the rate of**

22 **taxation for 10 fiscal years. The rate of taxation may not exceed:**

23 (a) **In the first fiscal year, 10 percent of the highest rate of taxation for city purposes**

24 **that applies to property in the city.**

25 (b) **In the second fiscal year, 20 percent of the highest rate of taxation for city purposes**

26 **that applies to property in the city.**

27 (c) **In the third fiscal year, 30 percent of the highest rate of taxation for city purposes**

28 **that applies to property in the city.**

29 (d) **In the fourth fiscal year, 40 percent of the highest rate of taxation for city purposes**

30 **that applies to property in the city.**

31

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 **(e) In the fifth fiscal year, 50 percent of the highest rate of taxation for city purposes**
2 **that applies to property in the city.**

3 **(f) In the sixth fiscal year, 60 percent of the highest rate of taxation for city purposes**
4 **that applies to property in the city.**

5 **(g) In the seventh fiscal year, 70 percent of the highest rate of taxation for city purposes**
6 **that applies to property in the city.**

7 **(h) In the eighth fiscal year, 80 percent of the highest rate of taxation for city purposes**
8 **that applies to property in the city.**

9 **(i) In the ninth fiscal year, 90 percent of the highest rate of taxation for city purposes**
10 **that applies to property in the city.**

11 **(j) In the 10th fiscal year, 100 percent of the highest rate of taxation for city purposes**
12 **that applies to property in the city.**

13 **SECTION 2.** **The amendments to ORS 222.750 by section 1 of this 2007 Act apply to**
14 **annexation ordinances or resolutions adopted on or after the effective date of this 2007 Act.**

15