

# House Bill 2450

Sponsored by Representative DALLUM (at the request of Don Lumba)

## 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**.

Prohibits city, county or local service district from transferring ownership of real property owned outside corporate boundaries of city, county or district to United States or federally recognized Indian tribe.

## A BILL FOR AN ACT

1  
2 Relating to sale of proprietary real property of local government; amending ORS 198.611, 221.725,  
3 221.727 and 275.070.

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

5 **SECTION 1.** ORS 198.611 is amended to read:

6 198.611. (1) A district may enter into a contract for the purchase or for the lease with option  
7 to purchase of real or personal property when the period of time allowed for payment under the  
8 contract does not exceed 30 years. A district entering into a contract authorized by this subsection  
9 may budget funds annually for payment of amounts due under the contract in each year during the  
10 term of the contract, unless the contract is terminated sooner in accordance with its terms.

11 (2) The powers granted to districts by **subsection (1) of this section** are in addition to any other  
12 powers possessed by districts in this state, and **subsection (1) of this section** [*may not be construed*  
13 *to limit such*] **does not limit the other** powers.

14 (3) **If real property is owned by a district in the district's proprietary capacity and not**  
15 **located within the jurisdictional boundaries of the district, the governing body of the district**  
16 **may not grant an option to purchase, contract to sell and convey, donate or transfer an**  
17 **ownership interest in the real property by any manner to:**

18 (a) **The United States.**

19 (b) **A corporation the majority of whose capital stock is owned by the United States.**

20 (c) **A federally recognized Indian tribe.**

21 **SECTION 2.** ORS 221.725 is amended to read:

22 221.725. (1) **If real property is owned by a city in the city's proprietary capacity and not**  
23 **located within the jurisdictional boundaries of the city, the governing body of the city may**  
24 **not grant an option to purchase, contract to sell and convey, donate or transfer an owner-**  
25 **ship interest in the real property by any manner to:**

26 (a) **The United States.**

27 (b) **A corporation the majority of whose capital stock is owned by the United States.**

28 (c) **A federally recognized Indian tribe.**

29 [(1)] (2) [*Except as provided in ORS 221.727,*] When a city council considers it necessary or  
30 convenient to sell real property or any interest therein, the city council shall publish a notice of the  
31 proposed sale in a newspaper of general circulation in the city, and shall hold a public hearing

**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 concerning the sale prior to the sale.

2 [(2)] (3) The notice required by subsection [(1)] (2) of this section shall be published at least once  
 3 during the week prior to the public hearing required under this section. The notice shall state the  
 4 time and place of the public hearing, a description of the property or interest to be sold, the pro-  
 5 posed uses for the property and the reasons why the city council considers it necessary or conven-  
 6 ient to sell the property. Proof of publication of the notice may be made as provided by ORS 193.070.

7 [(3)] (4) Not earlier than five days after publication of the notice, the public hearing concerning  
 8 the sale shall be held at the time and place stated in the notice. Nothing in this section prevents  
 9 a city council from holding the hearing at any regular or special meeting of the city council as part  
 10 of its regular agenda.

11 [(4)] (5) The nature of the proposed sale and the general terms thereof, including an appraisal  
 12 or other evidence of the market value of the property, shall be fully disclosed by the city council  
 13 at the public hearing. Any resident of the city shall be given an opportunity to present written or  
 14 oral testimony at the hearing.

15 [(5)] (6) As used in this section and ORS 221.727, "sale" includes a lease-option agreement under  
 16 which the lessee has the right to buy the leased real property in accordance with the terms specified  
 17 in the agreement.

18 **SECTION 3.** ORS 275.070 is amended to read:

19 275.070. (1) **Except as provided in subsection (4) of this section,** any county governing body  
 20 may grant an option to purchase, contract to sell and convey, or donate to the United States or  
 21 State of Oregon or to any corporation the majority of whose capital stock is owned by the United  
 22 States, any real property owned by the county including that acquired pursuant to tax foreclosure  
 23 proceedings at such price and on such terms as the county governing body may deem to be for the  
 24 best interests of the county.

25 (2) The resolution of the county governing body to grant an option to purchase, contract to sell,  
 26 sell and convey, or donate as provided shall be entered by the governing body upon its journal and  
 27 any option to purchase, contract to sell, sale and conveyance, or donation executed pursuant thereto  
 28 shall be signed on behalf of the county by the county judge or the chairperson of the board of  
 29 county commissioners and acknowledged in the manner prescribed by law.

30 (3) The county governing body may receive as partial or full consideration for any sale or  
 31 conveyance under this section, other real property or stumpage at a value determined by inspection  
 32 and appraisal made by the county governing body or by a board of three appraisers appointed by  
 33 the governing body.

34 (4) **If real property is owned by a county in the county's proprietary capacity and not**  
 35 **located within the jurisdictional boundaries of the county, the county governing body may**  
 36 **not grant an option to purchase, contract to sell and convey, donate or transfer an owner-**  
 37 **ship interest in the real property by any manner to:**

38 (a) **The United States.**

39 (b) **A corporation the majority of whose capital stock is owned by the United States.**

40 (c) **A federally recognized Indian tribe.**

41 **SECTION 4.** ORS 221.727 is amended to read:

42 221.727. Notwithstanding ORS 221.725 (2) to (5), a city council may adopt, after public notice  
 43 and hearing, a procedure for the sale of individual parcels of a class of city-owned real properties,  
 44 or any interest therein, under a single program established within the city for the sale of that class  
 45 of properties. The city may thereafter sell any parcel under that adopted procedure in lieu of the

1 procedure under ORS 221.725.

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