

# House Bill 3410

Sponsored by Representative GALIZIO (at the request of Gretchen Buehner, Councilor, City of Tigard)

## 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

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

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

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

222.750. (1) **As used in this section, "municipal services" includes, but is not limited to, urban services as defined in ORS 195.065.**

(2) **If the governing body of a city finds by clear and convincing evidence that annexation is necessary to provide essential municipal services that are not otherwise available to real property in territory that** [*When territory not within a city*] is surrounded by the corporate boundaries of the city, or by the corporate boundaries of the city and the ocean shore or a stream, bay, lake or other body of water, [*it is within the power and authority of that city to annex such territory. However,*] **the city may annex the territory pursuant to this section after holding at least one public hearing on the subject for which notice has been mailed to each record owner of real property in the territory proposed to be annexed.**

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

(a) Is surrounded entirely by water; or

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

(4) Unless otherwise required by its charter, annexation by a city under this section [*shall*] **must** be by ordinance or resolution subject to referendum, with or without the consent of any owner of property within the territory or resident in the territory.

(5) **Annexation by a city under this section must provide for a phase-in of the rate of taxation for 10 fiscal years. The rate of taxation may not exceed:**

(a) **In the first fiscal year, 10 percent of the highest rate of taxation for city purposes that applies to property in the city.**

(b) **In the second fiscal year, 20 percent of the highest rate of taxation for city purposes that applies to property in the city.**

(c) **In the third fiscal year, 30 percent of the highest rate of taxation for city purposes that applies to property in the city.**

(d) **In the fourth fiscal year, 40 percent of the highest rate of taxation for city purposes that applies to property in the city.**

(e) **In the fifth fiscal year, 50 percent of the highest rate of taxation for city purposes**

**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 that applies to property in the city.

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

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

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

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

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

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