

REVENUE: Revenue statement issued

FISCAL: Fiscal statement issued

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<b>Action:</b>	Without Recommendation as to Passage, but with Amendments and Be Printed Engrossed and Be Referred to the Committee on Rules
<b>Vote:</b>	7 - 0 - 0
<b>Yeas:</b>	Cameron, Davis, Holvey, McKeown, Thatcher, Unger, Clem
<b>Nays:</b>	0
<b>Exc.:</b>	0
<b>Prepared By:</b>	Beth Reiley, Administrator
<b>Meeting Dates:</b>	2/11, 2/13

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**WHAT THE MEASURE DOES:** Establishes applicability of measure. Stipulates if court finds assessment or reassessment exceeded dollar value of special benefit attributable to local improvement on date it was imposed: (1) court shall issue judgment revising assessment down to dollar value of special benefit; (2) person entitled to redeem property has two years following issuance of court's judgment to redeem property with certain limitations; and (3) city may not prevail for any purpose. Sunsets Act on January 2, 2025. Declares emergency, effective on passage.

**ISSUES DISCUSSED:**

- Background on developing Keizer Station local improvement district
- Negotiation between parties
- Possible statutory sideboards for local improvement districts

**EFFECT OF COMMITTEE AMENDMENT:** Replaces measure.

**BACKGROUND:** Local Improvement Districts (LIDs) are a financing tool for developing infrastructure which provides a specific benefit to the properties included in the district. It can be used to finance water, sewer, storm water, or road/sidewalk improvements that do not provide capacity improvement. LIDs are authorized generally by ORS 223.387-223.401; these statutes allow local governments to create a local procedure for creating and finalizing assessments for benefits from a local improvement.

House Bill 4017 A applies to a property in Keizer, Oregon which was originally purchased for \$0.2 million. The LID improvements and subsequent rezoning increased the value to \$2 million. The assessment on the property for the LID was \$6 million. The property is currently being foreclosed on by the City of Keizer. House Bill 4017 A establishes that in this situation if a court finds that the assessment or reassessment exceeded the dollar value of the special benefit attributable to the local improvement on the date that it was imposed, the court has to issue a judgment revising the original assessment down to the dollar value of the special benefit attributable to the local improvement on the date that it was imposed. The measure also allows the owners of the property 24 months to pay the treasurer of the city.