

Requested by Representative HELT

**PROPOSED AMENDMENTS TO  
HOUSE BILL 3242**

1 On page 1 of the printed bill, line 2, after “270.110” insert “and 273.463”.

2 Delete lines 25 through 27 and insert:

3 “(c) Within three months after determining that property is property de-  
4 scribed in paragraph (b) of this subsection, the Oregon Department of Ad-  
5 ministrative Services shall hire a competent and experienced appraiser to  
6 assist in identifying the current market value of the property. The depart-  
7 ment shall complete a review of the appraisal and any evaluations of rea-  
8 sonably available scenarios for the sale, lease, subdivision, development or  
9 redevelopment of the property for urban uses with sufficient time to allow  
10 for any necessary land use applications to be made within one year of the  
11 date the department determines that the property is property described in  
12 paragraph (b) of this subsection.”.

13 In line 29, after the first “the” insert “real property possessed or con-  
14 trolled by the” and delete the second “to”.

15 On page 2, delete lines 31 and 32 and insert:

16 **“SECTION 2. Section 3 of this 2019 Act is added to and made a part  
17 of ORS chapter 270.**

18 **“SECTION 3. (1) As used in this section, ‘urban potential property’  
19 means real property described in ORS 270.110 (1)(b).**

20 **“(2) When a local government or metropolitan service district  
21 amends its urban growth boundary, the Oregon Department of Ad-**

1 **ministrative Services shall determine whether any state property has**  
2 **become urban potential property as a result of the amendment.**

3 **“(3) If the department determines that urban potential property has**  
4 **been created under subsection (2) of this section, the department shall**  
5 **prioritize department staff and resources to support efforts to quickly**  
6 **explore the marketability, development or redevelopment of the urban**  
7 **potential property for urban uses.**

8 **“(4) Within three months after the determination under subsection**  
9 **(2) of this section, the department shall hire a competent and experi-**  
10 **enced appraiser or real estate consultant to evaluate the market value**  
11 **and land use potential of the urban potential property.**

12 **“(5) The department shall create evaluations and appraisals of rea-**  
13 **sonably available scenarios for the sale, lease, subdivision, develop-**  
14 **ment or redevelopment of the urban potential property for urban uses**  
15 **and shall deliver a summary of any evaluations and appraisals to the**  
16 **local government described in subsection (2) of this section and the**  
17 **Legislative Assembly.**

18 **“SECTION 4. Section 5 of this 2019 Act is added to and made a part**  
19 **of ORS 273.462 to 273.464.**

20 **“SECTION 5. (1) When a local government or metropolitan service**  
21 **district amends its urban growth boundary, the Department of State**  
22 **Lands shall determine whether any trust lands were brought within**  
23 **the urban growth boundary as a result of the amendment.**

24 **“(2) If the department determines that trust lands were brought**  
25 **within an urban growth boundary under subsection (1) of this section,**  
26 **the department shall prioritize department staff and resources to**  
27 **support efforts to quickly explore the marketability, development or**  
28 **redevelopment of the trust lands for urban uses consistent with the**  
29 **trust obligations of the State Land Board.**

30 **“(3) Within three months after the determination under subsection**

1 (1) of this section, the department shall hire a competent and experi-  
2 enced appraiser or real estate consultant to evaluate the market value  
3 and land use potential of the trust lands.

4 “(4) The department shall create evaluations and appraisals of rea-  
5 sonably available scenarios for the sale, lease, subdivision, develop-  
6 ment or redevelopment of the trust lands for urban uses and shall  
7 deliver a summary of the evaluations and appraisals to the local gov-  
8 ernment described in subsection (1) of this section, the State Land  
9 Board and the Legislative Assembly.

10 “(5) Within six months after receipt of the appraisals and evalu-  
11 ations, the board shall meet to determine whether the lands may be  
12 sold, leased, subdivided, developed or redeveloped for urban uses con-  
13 sistent with the board’s trust obligations.

14 “(6) No later than September 15 of each year after providing the  
15 evaluations and appraisals described in subsection (4) of this section  
16 and until substantially all of the lands described in subsection (1) of  
17 this section have been sold or developed for urban uses, the depart-  
18 ment shall provide a report to the Legislative Assembly or an appro-  
19 priate committee of the Legislative Assembly in the manner provided  
20 under ORS 192.245 on the current use, value and plans for marketing,  
21 developing or redeveloping the trust lands for urban uses.

22 “(7) The Oregon Department of Administrative Services shall coop-  
23 erate with, and provide resources and technical assistance to, the De-  
24 partment of State Lands to assist in carrying out the duties of the  
25 Department of State Lands under this section.

26 “**SECTION 6.** ORS 273.463 is amended to read:

27 “273.463. It shall be the policy of the State of Oregon to:

28 “(1) Identify, as appropriate, trust lands under the jurisdiction of the  
29 State Land Board that, due to management or regulatory impediments, have  
30 limited performance potential as assets of the Common School Fund[;], and

1        “[2] transfer the identified trust lands to state agencies, federal agencies  
2 or tribes that are better positioned than the State Land Board to manage the  
3 lands to provide public benefits associated with the public ownership of the  
4 identified trust lands.

5        **“(2) Encourage the sale, lease, subdivision, development or rede-**  
6 **velopment of trust lands located within an urban growth boundary for**  
7 **urban uses.**

8        **“SECTION 7. Sections 3 and 5 of this 2019 Act and the amendments**  
9 **to ORS 270.110 and 273.463 by sections 1 and 6 of this 2019 Act become**  
10 **operative on January 1, 2020.”.**

11        In line 33, delete “3” and insert “8”.

12        In line 35, delete “2” and insert “7”.

13        In line 37, delete “2” and insert “7”.

14        In line 40, delete “4” and insert “9”.

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