

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2918 - A3

81st Oregon Legislative Assembly – 2021 Regular Session
Legislative Fiscal Office*Only Impacts on Original or Engrossed
Versions are Considered Official*Prepared by: Kim To
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Date: June 10, 2021**Measure Description:**

Directs cities and counties to prepare and submit to Department of Land Conservation and Development annual inventory of surplus real property.

Government Unit(s) Affected:

Department of Land Conservation and Development (DLCD), Cities, Counties

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Summary of Expenditure Impact:

	2021-23 Biennium	2023-25 Biennium
General Fund		
Professional Services	68,000	16,000
Total General Fund	\$68,000	\$16,000

Analysis:

HB 2918 A-Engrossed requires the Department of Land Conservation and Development (DLCD) to develop and implement a web-based online electronic system enabling government entities to upload inventories of surplus real property owned by the local government that is located inside an urban growth boundary or located in an area zoned for rural residential use. The measure also authorizes mass transit and transportation districts to submit inventories of surplus real property owned by the district to this online system. DLCD is not responsible for verifying the accuracy of information submitted before making the information available to the public. By February 1st of each even-numbered year, DLCD is required to present information submitted to this system to an interim committee of the Legislative Assembly. In addition, the measure sets out a process for cities to sell city-owned real property for the purpose of developing affordable housing that provides for development proposals to be submitted to prior to the sale; sold properties are subject to affordable housing covenants. The measure takes effect on passage.

Department of Land Conservation and Development (DLCD)

DLCD estimates to cost of developing the online system to be \$68,000 for the 2021-23 biennium and the cost of maintaining the system to be approximately \$16,000 for subsequent biennia. This estimate reflects the cost of contracting with the Oregon State University's Institute for Natural Resources to create and maintain the online system. The -A3 amendment includes a General Fund appropriation to DLCD to carry out this work.

Cities, Counties, Mass Transit Districts, Transportation Districts

The fiscal impact of this measure is minimal on cities and indeterminate on counties. The fiscal impact of this measure on mass transit and transportation district is minimal because the measure allows, but does not require, these entities to submit inventories of surplus real property owned by the district to the online system.

The League of Oregon Cities report that cities already maintain inventories of designated surplus property, so submitting their existing inventory every other year to DLCD is expected to have minimal fiscal impact for cities that can be accommodated with existing staff and resources. Although the measure provides an alternative process that a city may use to sell property for the purpose of developing affordable rental and owner-occupied housing, this process is optional.

According to the Association of Oregon Counties, although some counties indicated they could comply with the provisions of the measure without incurring additional costs, most counties do not keep an inventory list that would satisfy the requirements of this measure, and will incur costs in order to gather and submit an inventory of surplus real property.