

A-Engrossed
House Bill 2918

Ordered by the House April 7
Including House Amendments dated April 7

Sponsored by Representative WILLIAMS; Representatives PHAM, REARDON (Pre-session filed.)

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.

[Directs state agencies, mass transit districts and transportation districts] **Requires local governments, and allows mass transit districts or transportation districts,** to prepare and submit to Department of Land Conservation and Development *[survey]* **inventory** of surplus real property. *[Directs counties to transmit most recently prepared inventory of surplus real property to department.]* Directs department to submit report on surplus real property to interim committees of Legislative Assembly related to housing no later than *[December 31, 2021]* **February 1 of each even-numbered year.**

Establishes alternative process for city to sell real property for purpose of developing affordable housing.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to publicly-owned real property; creating new provisions; amending ORS 221.725 and
3 271.530; and declaring an emergency.

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

5 **SECTION 1. (1) As used in this section:**

6 (a) **"Local government"** means a city or county.

7 (b) **"Surplus real property"** means real property in which a government entity holds title
8 through a deed or other legal instrument that is no longer suitable or needed for the duties
9 and responsibilities of the government entity.

10 (2) **The Department of Land Conservation and Development shall develop and implement**
11 **an electronic system for receiving and displaying inventory information described in sub-**
12 **section (3) of this section. The electronic system must be a web-based or online system that**
13 **allows:**

14 (a) **Government entities to upload inventories described in subsection (3) of this section**
15 **using a template developed by the department; and**

16 (b) **The general public to search and view information stored by the system.**

17 (3)(a) **No later than January 1 of each even-numbered year, each local government shall**
18 **prepare and submit to the department, using the system developed under subsection (2) of**
19 **this section, an inventory of surplus real property owned by the local government that is:**

20 (A) **Located inside an urban growth boundary; or**

21 (B) **Located in an area zoned for rural residential use as defined in ORS 215.501.**

22 (b) **A mass transit district established under ORS 267.010 to 267.394 or a transportation**
23 **district organized under ORS 267.510 to 267.650 may submit to the department an inventory**

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 of surplus real property owned by the district as described in paragraph (a) of this sub-
2 section.

3 (4) Nothing in this section requires the department to verify the accuracy of information
4 received by the department using the system developed under subsection (2) of this section
5 before making the information available to the public.

6 (5) No later than February 1 of each even-numbered year, the department shall present
7 the information received by the department under subsection (3) of this section in a report
8 to the interim committees of the Legislative Assembly related to housing in the manner
9 provided under ORS 192.245.

10 **SECTION 2.** (1) As used in this section, “low income household” and “moderate income
11 household” have the meanings given those terms in ORS 456.270.

12 (2) Notwithstanding ORS 221.725, and in lieu of a program established under ORS 221.727,
13 as provided in this section, a city council may sell city-owned real property for the purpose
14 of developing affordable rental and owner-occupied housing for low income households or
15 moderate income households.

16 (3) Before selling property under this section, the city council must invite persons in-
17 terested in developing the property for use as affordable housing for low income households
18 or moderate income households to submit proposals for development to the city council.

19 (4) The city council, or an appropriate administrative subdivision of the city, shall review
20 proposals submitted under subsection (3) of this section and recommend whether a proposal
21 should be accepted. A proposal may only be accepted by a vote of the city council.

22 (5) Property sold under this section must be subject to an affordable housing covenant
23 as described in ORS 456.270 to 456.295.

24 **SECTION 3.** ORS 221.725 is amended to read:

25 221.725. (1) Except as provided in ORS 221.727 and section 2 of this 2021 Act, when a city
26 council considers it necessary or convenient to sell real property or any interest therein, the city
27 council shall publish a notice of the proposed sale in a newspaper of general circulation in the city,
28 and shall hold a public hearing concerning the sale prior to the sale.

29 (2) The notice required by subsection (1) of this section shall be published at least once during
30 the week prior to the public hearing required under this section. The notice shall state the time and
31 place of the public hearing, a description of the property or interest to be sold, the proposed uses
32 for the property and the reasons why the city council considers it necessary or convenient to sell
33 the property. Proof of publication of the notice may be made as provided by ORS 193.070.

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

38 (4) The nature of the proposed sale and the general terms thereof, including an appraisal or
39 other evidence of the market value of the property, shall be fully disclosed by the city council at
40 the public hearing. Any resident of the city shall be given an opportunity to present written or oral
41 testimony at the hearing.

42 (5) As used in this section and ORS 221.727, “sale” includes a lease-option agreement under
43 which the lessee has the right to buy the leased real property in accordance with the terms specified
44 in the agreement.

45 **SECTION 4.** ORS 271.530 is amended to read:

1 271.530. In addition to any other powers which they may now have, and notwithstanding any law
2 to the contrary, each county and city shall have the following powers:

3 (1) To acquire by gift, grant or donation one or more industrial facilities, which shall be located
4 within the state, and which may be located within, without, or partially within or partially without,
5 such county or city.

6 (2) To lease to any person, firm, partnership or corporation, either public or private, any or all
7 of such industrial facilities acquired pursuant to subsection (1) of this section from a nonprofit cor-
8 poration formed for the purpose of stimulating industrial development, including any part thereof,
9 for such rentals and upon such terms and conditions and for such period or periods as the governing
10 body of the appropriate county or city may deem advisable.

11 (3)(a) To sell or convey all or any of such industrial facilities acquired by a county, including
12 any part thereof, at public or private sale, with or without advertisement, and to do all acts neces-
13 sary to the accomplishment of such sale and conveyance.

14 (b) To sell or convey all or any of such industrial facilities acquired by a city, including any part
15 thereof, at public or private sale as authorized under ORS 221.725 or 221.727 **or section 2 of this**
16 **2021 Act**, and to do all acts necessary to the accomplishment of such sale and conveyance.

17 **SECTION 5. This 2021 Act being necessary for the immediate preservation of the public**
18 **peace, health and safety, an emergency is declared to exist, and this 2021 Act takes effect**
19 **on its passage.**

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