

DRAFT

SUMMARY

Authorizes local governments to propose transit benefit districts covering area within quarter-mile radius of rail stations. Provides that transit benefit districts are eligible for public works projects that support transit-oriented development, to be funded by property taxes assessed on increase in land value directly attributable to benefit derived by property from presence of rail station.

A BILL FOR AN ACT

Relating to transit benefit districts.

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

SECTION 1. (1) For purposes of sections 1 to 5 of this 2011 Act, “public works projects that support transit-oriented development” includes below-market rate housing, right-of-way improvements, the enhancement of street connectivity and feeder transit connections, bicycle and pedestrian amenities and public art, parks and plazas.

(2) The governing body of a local government may propose by resolution the area within a quarter-mile radius of a rail station, that is within a transit corridor and the local government’s jurisdiction, as a transit benefit district eligible for public works projects that support transit-oriented development.

(3) A resolution adopted under subsection (2) of this section must:

(a) Describe the boundaries of the transit benefit district within which property will be assessed pursuant to section 3 of this 2011 Act;

(b) Designate the maximum duration for which assessments will be imposed on property within the transit benefit district for the purpose of funding public works projects that support transit-oriented devel-

1 **opment;**

2 **(c) Describe the public works projects to be undertaken and the**
3 **priority of the projects according to a subarea plan prepared by the**
4 **local government's planning agency;**

5 **(d) Include a capital financing plan for the public works projects;**

6 **(e) Require notice to owners of property within the transit benefit**
7 **district in the manner described in section 2 of this 2011 Act;**

8 **(f) Prescribe the procedure for final adoption or enactment of an**
9 **ordinance or resolution designating the transit benefit district and**
10 **assessing property in the district; and**

11 **(g) Specify the time and place where the governing body will hear**
12 **and consider objections to the proposed transit benefit district and the**
13 **public works projects by any aggrieved parties.**

14 **SECTION 2. (1) The notice required under section 1 of this 2011 Act**
15 **must contain all the information required in the resolution adopted**
16 **under section 1 of this 2011 Act.**

17 **(2) The notice may be made, by the recorder or other person desig-**
18 **nated by the governing body of the local government, by posting in**
19 **conspicuous public places within the proposed transit benefit district,**
20 **by newspaper publication or by mail, or any combination, not less than**
21 **10 days before the public hearing specified in the resolution adopted**
22 **under section 1 of this 2011 Act.**

23 **(3) If the notice is to be made by mail, the notice must be addressed**
24 **to the owner of property within the proposed transit benefit district**
25 **or the owner's agent. If the address of the owner or of the owner's**
26 **agent is unknown to the person making notice, the person shall mail**
27 **the notice addressed to the owner or the owner's agent at the address**
28 **where the property is located. A mistake, error, omission or failure**
29 **with respect to the mailing is not jurisdictional and does not invalidate**
30 **the assessment proceedings, but there shall be no foreclosure or legal**
31 **action to collect until notice has been given by personal service upon**

1 the property owner, or, if personal service cannot be had, then by
2 publication once a week for two successive weeks in a newspaper des-
3 igned by the governing body and having general circulation within
4 the boundaries of the local government where the property is located.

5 **SECTION 3.** (1) If the governing body of a local government adopts
6 or enacts a final ordinance or resolution approving the proposed
7 transit benefit district, on each succeeding January 1, the county
8 assessor shall determine the annual levy amount for the district as an
9 amount equal to the total increase in land value directly attributable
10 to the benefit derived by all property within the district from the
11 presence of the rail station at the center of the district.

12 (2) Individual property within the district shall be assessed a share
13 of the total attributable increase in land value in proportion to:

14 (a) The current capitalized land value of the property; or

15 (b) The additional zoned capacity that results from rezoning that
16 increases density or floor area of the benefited properties within the
17 district.

18 (3) The total of the assessments imposed under subsection (2) of this
19 section shall equal the annual levy amount determined under sub-
20 section (1) of this section.

21 (4) The recorder or other person designated by the governing body
22 shall prepare the assessments required under this section to the re-
23 spective lots within the district and file the assessments in the appro-
24 priate office of the local government.

25 (5)(a) Notice of the assessment shall be mailed or personally deliv-
26 ered to the owner of each property assessed.

27 (b) The notice shall state the amount of the assessment on that
28 property and shall fix a date by which objections must be filed with
29 the recorder.

30 (6)(a) An objection to an assessment must state the grounds for the
31 objection.

1 (b) The governing body shall consider the objections and grounds
2 and may adopt, correct, modify or revise the assessments.

3 (7) The Department of Revenue shall adopt rules applicable to
4 transit benefit districts that establish a methodology for determining
5 the total attributable increase in land value and individual property
6 assessments under this section.

7 (8) Owners of property against which an assessment has been im-
8 posed under this section may seek a review of the assessment under
9 ORS 34.010 to 34.100.

10 **SECTION 4.** (1) An assessment imposed under section 3 of this 2011
11 Act becomes a lien upon the property assessed upon passage of an or-
12 dinance or resolution spreading the assessments and entry in the ap-
13 propriate lien record of the local government. The local government
14 may enforce collection of such assessments as provided by ORS 223.505
15 to 223.650.

16 (2)(a) In lieu of enforcing liens and collecting assessments as pro-
17 vided in subsection (1) of this section, a local government may certify
18 the assessment, in the manner provided in ORS 310.060, to the county
19 assessor of each county in which the property assessed is located.

20 (b) If the assessments are certified as provided in this subsection,
21 the county assessor shall:

22 (A) Enter the assessment upon the county assessment roll against
23 the property described in the certificate, in the manner that other lo-
24 cal government assessments are entered;

25 (B) Collect, account for and enforce the assessments in the manner
26 that local government taxes are collected, accounted for and enforced;
27 and

28 (C) Transfer, as provided by law, the assessments collected to the
29 local government that imposed the assessment.

30 (3) A local government may issue revenue bonds, payable from
31 transit benefit district revenues, to finance public works projects that

1 support transit-oriented development, including replacement or addi-
2 tional below-market rate housing.

3 **SECTION 5.** In levying, collecting and enforcing assessments pur-
4 suant to sections 1 to 5 of this 2011 Act:

5 (1) Real property may be described by giving the subdivision ac-
6 cording to the United States survey when coincident with the bound-
7 aries of the real property, or by lots, blocks and addition names, or
8 by giving the boundaries by metes and bounds, or by reference to the
9 book and page of any public record of the county where the description
10 may be found, or by designation of tax lot number referring to a re-
11 cord kept by the assessor of descriptions of real properties of the
12 county, which record shall constitute a public record, or in any other
13 manner as to cause the description to be capable of being made cer-
14 tain. Initial letters, abbreviations, figures, fractions and exponents, to
15 designate the township, range, section, or part of a section, or the
16 number of any lot or block or part of a lot or block, or any distance,
17 course, bearing or direction, may be employed in any description of
18 real property.

19 (2) If the owner of any real property is unknown, the real property
20 may be assessed to “unknown owner” or “unknown owners.” If the
21 property is correctly described, no final assessment shall be invali-
22 dated by a mistake in the name of the owner of the real property as-
23 sessed or by the omission of the name of the owner or the entry of a
24 name other than that of the true owner. Where the name of the true
25 owner, or the owner of record, of any parcel of real property is given,
26 the final assessment may not be held invalid on account of any error
27 or irregularity in the description if the description would be sufficient
28 in a deed of conveyance from the owner, or is such that, in a suit to
29 enforce a contract to convey, employing such description a court of
30 equity would hold it to be good and sufficient.

31 (3) Any description of real property that conforms substantially to

1 **the requirements of this section is a sufficient description in all pro-**
2 **ceedings of assessment relating or leading to a final assessment for**
3 **public works projects that support transit-oriented development, fore-**
4 **closure and sale of delinquent assessments, and in any other proceed-**
5 **ing related to or connected with levying, collecting and enforcing final**
6 **assessments for special benefits to the property.**

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