

# CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

## Policy Session Worksheet

**Presentation Date:** 04/09/19    **Approx Start Time:** 1:30 PM    **Approx Length:** 60 min

**Presentation Title:** Clackamas County Land Bank Authority (CCLBA) Business Plan

**Department:** Business and Community Services Economic Development Division

**Presenters:**     Laura Zentner, BCS Director  
                         Jon Legarza, Economic Development Coordinator  
                         Nate Boderman, County Counsel

**Other Invitees:** Bryan Guiney, Business Oregon Regional Development Officer  
                         Karen Homolac, Business Oregon Brownfields Program Specialist  
                         Brian Harper, Metro Planning and Development  
                         Raihana Ansary, State of Oregon Metro Regional Solutions Coordinator

### **WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?**

Review and approval of the Clackamas County Brownfields Land Bank Authority Business Plan including approval to move forward with preparing to establish a Clackamas County Land Bank Authority.

### **EXECUTIVE SUMMARY**

Like many other local governments throughout the State of Oregon, Clackamas County faces financial and legal hurdles in cleaning up and repurposing so-called “brownfield” sites, properties where expansion or redevelopment is complicated by actual or perceived environmental contamination. At the same time, the County is challenged by a lack of employment lands, and a critical shortage of affordable housing.

In 2015, recognizing that many local governments faced similar challenges, the Oregon Legislature passed HB 2734, which allows for the creation of Land Bank Authorities to assist local governments in remediating, redeveloping, and revitalizing brownfields without the liabilities traditionally associated with these properties. Under the law, a Land Bank Authority can acquire a brownfield site, remediate contamination, and facilitate repurposing and redevelopment of the property. Critically, a Land Bank Authority enjoys significant protection from liability for pre-existing contamination. Once rehabilitated, these sites can serve as employment lands to meet the needs of expanding or relocating businesses, as sites for new affordable housing developments, or can be turned into new community parks or open spaces.

In September 2018, the Business and Community Services Department’s Economic Development Division received BCC approval to complete a Business Plan for the formation of a Clackamas County Land Bank Authority (CCLBA). BCS Economic Development engaged the consultant team of Cascadia Partners, Stantec, and Development Research Partners, and assembled a Land Bank Advisory Committee consisting of the Governor’s Regional Solutions Team, Port of Portland, Metro, Business Oregon, and the Oregon Department of Environmental Quality (DEQ). Working collaboratively, BCS Economic Development, the consultant team, and

the Advisory Committee developed the Clackamas County Brownfields Land Bank Authority Business Plan.

The Business Plan provides a framework for the formation and initial implementation activities of the CCLBA, including securing adequate funding for CCLBA start-up and initial operations, adoption of necessary resolution/ordinance by the BCC, establishment and appointment of members to the CCLBA Board of Directors, initial staffing of the CCLBA, and establishment of site selection criteria.

If approved, BCS Economic Development would begin the process of implementing the Business Plan and establishing the CCLBA:

- BCS Economic Development will work to secure adequate funding for the first three years of CCLBA operations. This funding will likely consist of grants, State Lottery funds, and County contributions (both in-kind and direct financial contributions). We anticipate that a request for General Fund support will be discussed as part of the County budget process.
- As funding is being secured, BCS Economic Development will facilitate the process of identifying potential candidates to serve on the CCLBA Board of Directors.
- Once funding has been secured, BCS Economic Development will present recommended candidates for the CCLBA Board of Directors to the BCC for consideration and approval.
- Once the BCC has approved candidates for the CCLBA, BCS Economic Development and County Counsel will prepare a proposed ordinance/resolution establishing the CCLBA and appointing the CCLBA Board of Directors for the BCC's review and approval.

County Counsel has reviewed and approved the Clackamas County Brownfields Land Bank Authority Business Plan.

**FINANCIAL IMPLICATIONS (current year and ongoing):**

Is this item in your current budget?       YES       NO

**What is the cost?** BCS anticipates the CCLBA will incur annual operating expenses of \$400,000 during its first 3 years of operations.

**What are the funding sources?** State and local grants, Lottery Funds, matching funds (both from the General Fund and in-kind contributions).

**STRATEGIC PLAN ALIGNMENT:**

- **How does this item align with your Department's Strategic Business Plan goals?** Establishment of the CCLBA will improve availability of employment lands. Additional employment lands are vital in order to create a healthy environment for private investment, attract new businesses to Clackamas County, and support the expansion of existing business.
- **How does this item align with the County's Performance Clackamas goals?**

Establishment of the CCLBA will directly contribute to the County's strategic priorities of growing a vibrant economy, building a strong infrastructure, and ensuring safe, healthy and secure communities.

**LEGAL/POLICY REQUIREMENTS:**

Oregon House Bill 2734 (2015), now codified as ORS 465.603, authorizes local governments to create by ordinance or resolution a Land Bank Authority as a municipal corporation.

**PUBLIC/GOVERNMENTAL PARTICIPATION:**

The Land Bank Advisory committee met four times to review and provide input to the project team. The Advisory Committee recommends adoption of the Clackamas County Brownfields Land Bank Authority Business Plan.

**OPTIONS:**

1. Adopt the Clackamas County Brownfields Land Bank Authority Business Plan as presented, and direct BCS Economic Development staff to continue pursuing funding for the CCLBA, to begin the process of identifying potential candidates for the CCLBA Board of Directors, and to return to the BCC at a later date with recommendations for CCLBA Board of Director appointments and a proposed resolution/ordinance establishing the CCLBA.
2. Take no action at this time.

**RECOMMENDATION:**

Staff respectfully recommends Option 1.

**ATTACHMENTS:**


- Attachment 1 – 2018 Clackamas County Brownfields Land Bank Authority Business Plan
- Attachment 2 – PowerPoint presentation

SUBMITTED BY:

Division Director/Head Approval \_\_\_\_\_

Department Director/Head Approval \_\_\_\_\_

County Administrator Approval \_\_\_\_\_



For information on this issue or copies of attachments,  
please contact Jon Legarza @ 503-742-4366

# CLACKAMAS COUNTY BROWNFIELDS LAND BANK AUTHORITY

Business Plan December 2018

business  
oregon



# ACKNOWLEDGMENTS

## County Board of Commissioners

- Jim Bernard, Chair
- Sonya Fischer
- Ken Humberston
- Paul Savas
- Martha Schrader

## Project Manager:

- Jon Legarza, *Economic Development Coordinator*, County Economic Development

## Advisory Committee:

- Raihana Ansary, *Portland Region Coordinator*, Governor's Regional Solutions Team
- Lise Glancy, *Manager of Strategic Partnerships*, Port of Portland
- Brian Harper, *Senior Planner*, Metro
- Karen Homolac, *Brownfield Program Specialist*, Business Oregon
- Tiffany Johnson, JD, *Brownfield Program Manager*, Oregon Department of Environmental Quality

## Project Management Team

- Members of the Advisory Committee (above)
- Nate Boderman, *Senior Legal Counsel*, County Counsel
- Dawn Emerick, *Public Health Director*, County Health
- Gwen Griffith, *Executive Director*, Oregon Finance Authority
- Catherine Grubowski-Johnson, *Economic Development Manager*, Clackamas County
- Rick Gruen, *Manager*, Clackamas County Parks & Forestry & Rural Economic Development
- Jon Legarza, *Economic Development Coordinator*, County Economic Development
- Jennifer Trundy, *Independent Consultant*, County Counsel
- Lindsey Wilde, *Property Agent*, County Property Disposition
- Laura Zentner, *Director*, Clackamas County Business & Community Services
- Erika Zoller, *Policy Analyst*, Clackamas County Health

## Consultant Team:

- John Southgate, Cascadia Partners, Consultant Team Project Manager
- Leonard Farr, Stantec, Environmental/Brownfield Lead
- Jesse Silverstein, Development Research Partners, Redevelopment Lead



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# I. INTRODUCTION

Clackamas County faces some significant challenges and opportunities now and in the years to come. The County possesses a healthy and diverse economy – but lacks a sufficient supply of developable land to easily accommodate new business investment and job growth. The County is home to more than 400,000 people – but faces land supply and financing challenges as it seeks to accommodate new residents, particularly those in the lower and “missing middle” segments. The County also faces challenges to its health, as measured by several key social determinants of health.

One initiative that the County is taking in response to these and other challenges and opportunities is the formation of the State of Oregon's first *Brownfields Land Bank Authority* (CCLBA). Authorized under H.B. 2734 in the 2015 Legislative Session, Land Bank Authorities provide a mechanism for the purpose of “acquiring, rehabilitating, redeveloping, reutilizing or restoring brownfield properties” (i.e. sites where “expansion or redevelopment is complicated by actual or perceived environmental contamination”).

A Land Bank Authority will yield a variety of substantial benefits in response to these challenges and opportunities. It will allow the County to lead the region's efforts in bringing strategic but under-performing sites back

into productive use. It will help to create a cleaner and healthier environment by remediating contamination. It will address the severe challenge of our regional industrial land shortage – restoring industrial brownfield sites such as the County's many closed lumber mills will help generate jobs, particularly in economically under-performing rural communities. It will also help to protect the Region's Urban Growth Boundary by optimizing the use of land *within* the UGB, taking advantage of existing infrastructure rather than incurring the cost of extending transportation, water and sewer infrastructure to the region's periphery. Other advantages of forming the Authority concern the opportunity to create more park and open space, as well as affordable housing.

The CCLBA will serve as a model for others to replicate, addressing a significant challenge facing our state and region: redevelopment of brownfields. The County is in the unique position to test the 2015 legislation because the County can leverage its resources (Property Disposition, Housing, Health and Human Services, Economic and Community Development) to support the CCLBA.

The Business Plan is intended to provide a *framework* for the formation and initial implementation activities of the CCLBA in 2019. Following Board adoption of the Business



Plan, one of the first actions that the County Board will need to take will be the appointment of a CCLBA Board, as set forth in H.B. 2734. The CCLBA Board will then take on its initial work – adopting bylaws, adopting a budget, setting up its operations and protocols, and beginning the important work that lies before it. This Business Plan is not intended to be “set in stone”. It is anticipated that this document will evolve over time, especially in its early years, as new needs, challenges, and opportunities arise in the County. Indeed, at its very outset, the CCLBA Board may opt to modify the language set forth in this document to best achieve its purposes.

That said, this report represents the efforts of numerous agencies and individuals who share a commitment to working together to help Clackamas County provide active and responsible leadership through focused investments, innovative partnerships, and citizen empowerment to create healthy, safe, and sustainable communities.



*Image 1: Before (above) and after (below) images of commercial redevelopment of a brownfield site*

## II. MISSION & VISION

### MISSION

*The Clackamas County Land Bank Authority collaborates with partners in the for-profit, non-profit, and public agency sectors to identify, acquire, remediate, redevelop and dispose of environmentally contaminated sites, resulting in new housing, employment, and community uses which generate a stronger economy, a healthier environment, and increased funding for schools and other vital public services, supporting the residents of Clackamas County*

### VISION

*The Clackamas County Brownfields Land Bank Authority is a statewide leader in restoring under-utilized, environmentally-challenged sites into productive use. The Authority envisions the removal of vacant, abandoned and environmentally-challenged properties and transitioning them to vibrant neighborhood assets for people and jobs.*



*Image 2: A tank being decommissioned before redevelopment*

# III. GOVERNANCE

## Role of the Land Bank Authority

H.B. 2734, authorizing local governments to establish Land Bank Authorities, establishes the “ground rules” governing the purposes and functions of such Authorities. Though formed by the County Board, the CCLBA “shall exist as a legal entity separate from the local

government that created (it)”. Amongst other things, this means that the CCLBA’s financial obligations are its own, with the exception that the County may opt to issue debt on behalf of the Authority.

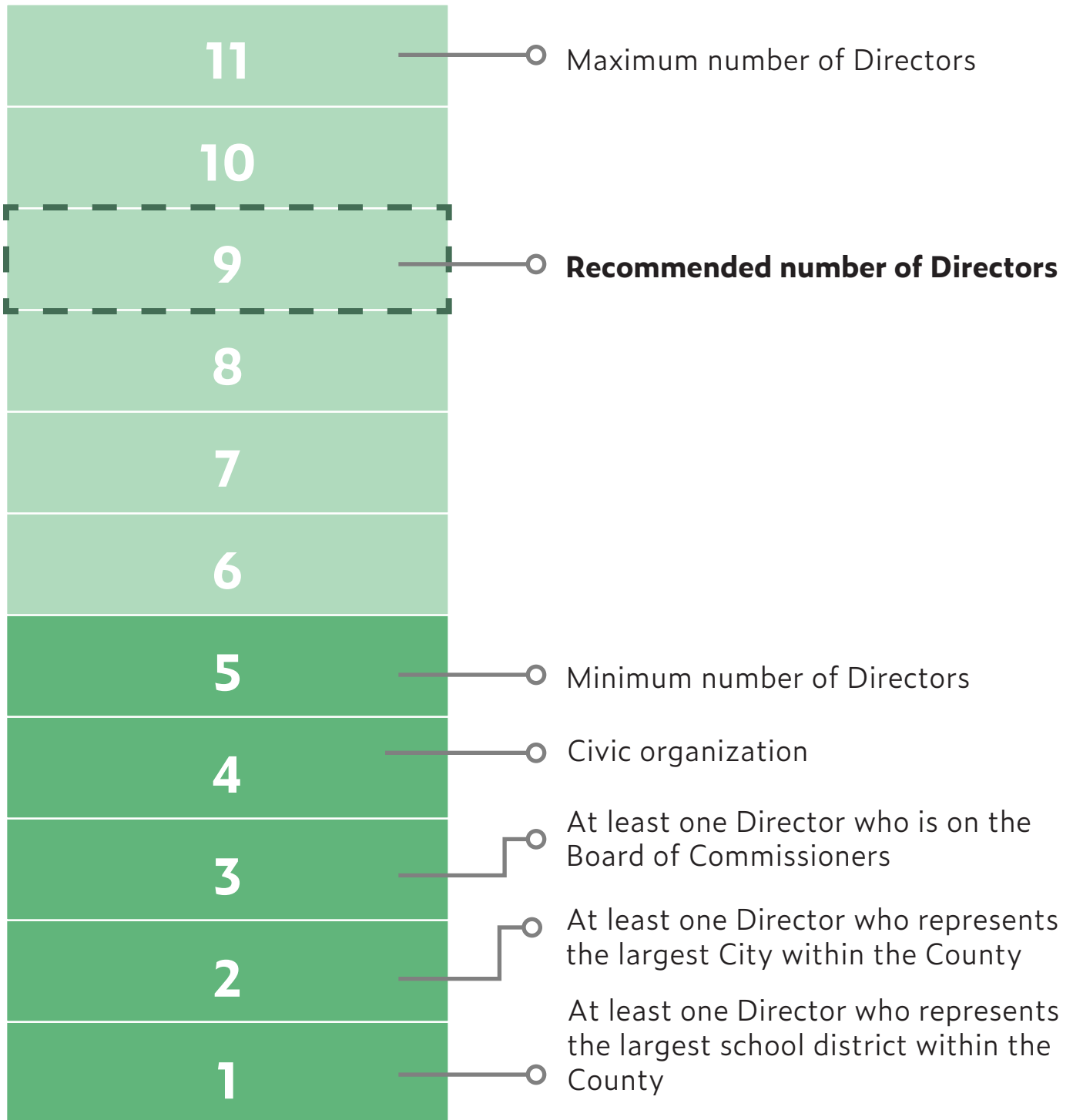
H.B. 2734 establishes a broad array of powers for Land Bank Authorities, including but not limited to the following:

- Acquire, hold, use, enjoy and convey, lease or otherwise dispose of any interest in brownfield properties within its jurisdiction
  - Conduct removal or remedial action
  - Assist parties that are interested in acquiring a brownfield
  - Enter into contracts
  - Borrow funds and issue notes and revenue bonds; all such financial instruments are tax exempt.
  - Invest moneys
  - Obtain insurance
  - Solicit and accept grants and other public or private funds
  - Conduct other functions necessary to the ongoing operation of the authority
  - Authorize formation of an advisory committee to advise the authority
- on the interests of the community in the actions of the Board and the authority.
- In addition to this considerable set of activities the CCLBA may undertake, the law also establishes a number of requirements. Among these are the following:
    - Establish a Board of Directors to oversee the Authority’s work (see next sub-section below)
    - Issue a 30 day public notice of any proposed disposition, and respond to input received
    - Submit an annual report to the Governor and the Legislative Assembly, summarizing the authority’s activity, including a list of properties acquired and disposed of and other information.

## The Authority's Board of Directors

As noted, H.B. 2734 requires a Land Bank Authority to be overseen by a Board of Directors. Directors may not receive

compensation. The County Board may authorize the CCLBA Board to have between five and eleven members.



The law stipulates the following regarding the composition of the CCLBA Board:

- At least one Director who is on the Board of Commissioners
- At least one Director who represents the largest City within the County (currently Lake Oswego)
- At least one Director who represents the largest school district within the County (currently North Clackamas School District)
- A representative from a civic organization that has a purpose or mission that aligns with the Authority

Beyond these four specific “slots”, the County Board may choose up to seven (and at least one) additional members.

Given the flexibility it has in establishing the initial CCLBA Board, and to assure an ample number of members for a quorum, it is recommended that the County Board establish a nine member CCLBA Board, to consist of the

four required positions noted above, as well as representatives from the following entities: Port of Portland, Metro, NAIOP, a rural community, the Home Builders Association, and representatives from the development industry.

At the initial establishment of the CCLBA Board, the County Board must designate the initial directors and their initial terms of service, which may not exceed 4 years. The law wisely suggests that the initial Board of Directors be appointed to terms representing staggered years of service (i.e. some for two years, some for three, some for four) so that not all have terms expire at the same time. The law also establishes a maximum service of no more than three terms.

The Board is required to hold an Annual Meeting, at which it is to select officers – a Chair, a Vice Chair, a Secretary, a Treasurer; along with other officers as the Board determines.

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## Staff

H.B. 2734 authorizes the Board to employ employees and agents as it deems appropriate. The law is deliberately vague in this regard. A Land Bank Authority may hire its own employees; or it may contract out some or all of its work to consultants; or it may enter into an Intergovernmental Agreement (IGA) whereby another public agency provides

staffing. In the latter case, the CCLBA may contribute towards the funding of such staff; or the other agency may opt to bear some or all of the costs of such employees.

Given the limited resources of the Clackamas County CCLBA in its start-up phase, and given the considerable expertise that County staff

brings to bear, it would seem most suitable that the County and the CCLBA enter into an IGA whereby Economic Development staff (including office space and other overhead) from the County's Department of Business & Community Services provides initial staffing for the CCLBA. The model for such an IGA already exists – the County helps provide the Library Board with staffing.

It would be appropriate that other departments contribute to staffing costs, insofar as the work of the CCLBA will assist in implementing the missions of departments above and beyond Economic Development. For instance, the work of the CCLBA will benefit Health, Housing & Human Services, Property

Disposition, Urban Renewal, and the County's Legal Department both in specific tasks these departments may undertake as well as in their broader missions.

Over time, as the CCLBA is successful in creating value through the acquisition, remediation, and disposition of properties, it is likely that the CCLBA will be able to hire its own staff and consultants. It is even possible that the CCLBA will eventually be in a position to reimburse the County for the early years County subsidy of the staffing and operations. The funding section (Section VI below) lays out a model for operations that assumes a transition to full time staffing in 2019-2020.



*Image 3: An example of a redevelopment site (before on left, after on right) on Interstate in Portland, OR*

# IV. STAKEHOLDERS

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## Key Stakeholders

Any real estate endeavor (whether a new home, a commercial complex, apartments, or manufacturing facilities) requires a variety of players to bring a project to fruition. A new or rehabilitated building typically requires architect, engineers, and other design professionals. It requires financing, and entitlements. Rental properties require management and marketing professionals.

Brownfield development or redevelopment is further complicated by the need to assess, remediate, and regulate the contaminated conditions of a property, and finance those

activities. As such, successful brownfield acquisition, remediation, and redevelopment will require a broad array of entities and professionals, working in partnership. At the outset of the Clackamas County CCLBA, the following are entities that have been identified as *key stakeholders*, parties that have some combination of development knowledge or technical expertise, regulatory authority, funding, or decision making that will be critical if not essential to the successful operation of the CCLBA. This list is not all inclusive as the years pass and new partnerships are forged.

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## Other Stakeholders:

In addition to the *Key Stakeholders* noted above, the following are other stakeholders who will also be important partners in the Authority's endeavors. These entities will assist with outreach, helping to educate developers and other real estate professionals, as well as the general public (including youth) about the important work of the Authority and its partners.

It is important to note here that these key and other stakeholders represent an initial identification of possible or likely partners in this endeavor. Over time, it is highly likely that this list will expand, as new partners are identified who can assist in funding, marketing, and other aspects of the CCLBA's work.

## KEY STAKEHOLDERS

### Local:

- Board of Clackamas County
- Clackamas County Departments particularly Housing; Health and Human Services; Transportation and Development (including Urban Renewal); and Business and Community Services (especially Economic Development and Property Disposition)
- City Partners - City Council, City Leadership, and Economic Development and Urban Renewal Departments

### Regional:

- Metro
- Port of Portland

### State:

- Governor's Regional Solutions Team
- Business Oregon
- Department of Environmental Quality
- Oregon Finance Authority
- Oregon Housing Authority

### Federal:

- U.S. Environmental Protection Agency
- U.S. Department of Agriculture
- U.S. Economic Development Authority

### Other:

- Oregon Brownfields Coalition

## OTHER STAKEHOLDERS

- School Districts
- NAIOP
- Urban Land Institute
- Greater Portland, Inc.
- Real Estate Developers (for profit and non-profit)
- Real Estate brokers
- Health Organizations – Hospital Groups, CCOs
- Clackamas County College
- Clackamas Workforce Partnership
- Oregon Trades Women
- Construction Trades
- Special Districts, including WES
- Banks & Other Lenders
- Oregon Health Authority





*Image 6: The Floragon Mill Site in Molalla is an example of a potential redevelopment site*



*Image 7: The Blue Heron Paper Mill property - another example of a potential redevelopment site*

# V. SITE SELECTION

The fundamental function of the CCLBA is to acquire, and ultimately dispose of, brown-field sites. This section, along with its related attachments, provides a framework for identifying which sites to pursue. It should be noted here that this framework, and specifically the site selection screening process, is not intended to be binding and determinative as to which properties the CCLBA is to acquire. Rather, this process is intended to be a tool to guide the CCLBA. It should further be noted that this process, the site selection scoring sheets, and the weighted criteria contained in them, will likely be modified by the CCLBA Board over time, as the priorities of the CCLBA and its partners change in coming years.

Prior to acquisition of property, the CCLBA will employ a site selection process. This process will inform the Board regarding the current condition of the property, the redevelopment potential inherent in the property, and allow the Board to make an informed decision on whether or not to add the property to the CCLBA's portfolio of properties. The components of the site selection process are summarized below.

**Project Identification.** A brownfield property may be identified for potential CCLBA acquisition by a number of means including: 1) as a Clackamas County tax foreclosure proceeding; 2) public property owned and offered by a

partner local government jurisdiction; 3) privately-owned property offered to CCLBA as a donation; 4) privately-owned property available on the open market; (5) other properties that may come to the CCLBA's attention that warrant consideration.

**Site Selection Screening.** Several scoring sheets have been developed to assist the CCLBA Board in making acquisition decisions. These scoring sheets mirror CCLBA priorities including 1) employment, 2) affordable housing, and 3) community benefits. In addition, a fourth real estate scoring sheet can be used to aid in evaluating the potential for a property to generate operating resources for the functions of the land bank. Again, these scoring sheets should be used to inform acquisition decisions, not govern them.

**Pre-Acquisition Due Diligence.** Once the CCLBA Board has decided to pursue acquisition of a property, due diligence will commence. This will include negotiation of a purchase and sale agreement or equivalent with the seller. For any type of acquisition (purchase, donation, etc.), all due diligence typical of any real estate transaction shall be performed. In addition, a consultant with expertise in brownfield redevelopment will be engaged to 1) complete All Appropriate Inquiry (AAI) for the property according to 40 Code of Federal Regulations Section 312.21, including, but not

necessarily limited to, completion of a Phase I Environmental Site Assessment in accordance with the ASTM International E1527-13 standard, 2) if contamination is identified, develop a draft work scope and cost estimate for cleanup, and 3) advise the CCLBA Board regarding the impact that environmental site conditions may have on redevelopment plans

for the property

**Property Acquisition.** If after completing each of the steps described above the CCLBA Board believes that acquiring the property is in the best interest of the land bank, the CCLBA shall take title to the property.

## VI. FUNDING

The Clackamas County Land Bank Authority (CCLBA) operations will entail a formation period and, once governance and operational procedures are established, will engage in various property development activities. Formation will be the CCLBA's primary activity during its first year. Once established, it is the CCLBA's intent to become financially independent to the greatest extent possible through revenue generated sources including:

- Adding value to its target acquisitions
- Liquidating targeted assets to recover funds
- Owning and operating beneficial facilities such as co-working space, education and training spaces, or local government spaces
- Providing fee for service consulting offering property redevelopment

technical assistance and fee-development services

- Developing long-term revenue through property tax increment and special assessment programs
- Holding strategic properties for the long term ("patient capital"), until such time as an asset can yield financial and other benefits to the CCLBA and its partners

### Year One Operations

Administration, staffing, and program development activities will be the focus for the first year to establish operations. Projected first-year "startup" funding is anticipated to be established primarily through Intergovernmental agreements with its State and local partners and potentially other sources.

## Illustrative Operating Budget Year One (Startup)

The following preliminary budget items are estimates only and designed to be conservative in nature; actuals may come in less than

that illustrated. The CCLBA will pursue partnerships for startup and long-term funding.

### REVENUE

#### Startup Grants

Legislative Request (one-time)	\$400,000
IGA- Metro/Regional/Cities/County Departments	\$100,000

#### Other Startup Funding

County Economic Development Lottery-backed Funds	\$100,000
County Comcast Settlement Fund	TBD
CDBG County Entitlement	TBD
Community Reinvestment Act (local banks)	TBD
Foundation Impact Investments	TBD

**TOTAL REVENUE** **\$600,000**

### EXPENDITURES

#### Operations

Personnel Services	250,854
Materials & Services	150,250
Allocated Facility Charges	14,991
Contingency	41,600

**TOTAL OPERATING EXPENSES** **457,695**

**FUND BALANCE** **142,305\***

\* Any fund balance will roll-over to future year operating budget

During subsequent years the CCLBA will be positioned to build their brownfields acquisition, cleanup, and disposition portfolio. This portfolio will encompass: sites intended for return to the real estate market as clean, buildable sites; sites for public uses; and investment properties to fund long-term CCLBA operations. State and local economic development incentives can be used in partnership with CCLBA resources.

The portfolio acquisitions will target under-performing or abandoned brownfield sites including:

- Former mills
- Commercial property
- Industrial property
- Single- and multi-family building parcels

The liquidation, or exit strategy, is for brownfield sites to put into uses including:

- Commercial employment
- Affordable Housing
- Veteran Housing
- Public facilities
- Mass timber

The following table illustrates examples for target brownfield acquisitions and redeployment to a higher and better community use over subsequent years. The examples are based on Clackamas County market conditions and are for illustrative purposes only. The following preliminary sites are *hypothetical* examples only.

As can be seen, not all intended acquisition targets return a positive amount to the fund. This “financially upside down” situation is what keeps brownfield sites from attracting development interest in the first place. Ultimately, the need and source of funding will depend on the particular project, the partners, and intended end use. The list of potential funders is long and ever changing; the following potential project funding sources have been identified as good prospects, but is not considered exhaustive. Funding sources such as tax abatement, a brownfields tax credit (proposed in 2019 legislature), or grant funds can be deployed to make financially challenging projects feasible.

# Hypothetical Acquisition Scenarios

Site Condition	Vacant Industrial Land	Vacant Industrial land	Resi land now zoned commercial, single family house to be razed	Ag land now zoned M1, single family house to be razed	Small unusable industrial building to be razed	Resi land now annexed and zoned commercial, single family house to be razed
Site Size (acres)	1.7	8.5	2	10	0.5	0.67
General Location	Small Rural Community	Rural Town	Suburb	Mid-sized City	Older City	Rural Town
Purpose	Return Clean Vacant Site to Market	Return Clean Vacant Site to Market	Return Clean Vacant Site to Market	Return Clean Vacant Site to Market	Return Clean Vacant Site to Market	Hold for Public Purpose
Intended End Use	Employment Development	Employment Development	Employment Development	Employment Development	Employment Development	Co-working Space
Property Source	Tax Foreclosure	DEQ Settlement	DEQ Settlement	Bank Foreclosure	Tax Foreclosure	Market Purchase
Purchase Price "As Is"	\$10,000	\$10.00	\$10.00	\$500,000	\$12,000	\$300,000
Estimated Value "As Clean"/Disposition Sales Price	\$205,000	\$330,000	\$220,000	\$2,200,000	\$200,000	na
Potential Value Recovery	\$195,000	\$329,990	\$219,990	\$1,700,000	\$188,000	\$0
<b>Less:</b>						
<b>Value Recovery Expenditures</b>						
Environmental Assessment	\$25,000	\$70,000	\$15,000	\$20,000	\$15,000	\$15,000
Environmental Remediation	\$125,000	\$225,000	\$20,000	\$50,000	\$20,000	\$20,000
Demolition			\$15,000	\$15,000	\$25,000	\$15,000
Infrastructure		\$100,000		\$120,000		
Site Development	\$75,000	\$100,000	\$50,000	\$75,000	\$5,000	\$5,000
Asset Management During Hold	\$10,000	\$15,000	\$10,000	\$15,000	\$10,000	\$10,000
<b>Total Recovery Expenditures</b>	<b>\$235,000</b>	<b>\$510,000</b>	<b>\$110,000</b>	<b>\$295,000</b>	<b>\$75,000</b>	<b>\$65,000</b>
<b>Net Recovery to the Fund</b>	<b>(\$40,000)</b>	<b>(\$180,010)</b>	<b>\$109,990</b>	<b>\$1,581,359</b>	<b>\$113,000</b>	<b>(\$65,000)</b>
						<b>Total net: \$1,519,339</b>

# 5-Year Potential Funding Resources

Illustrative five-year activities with estimated funding are provided in the following proforma:

Task	2019	2020	2021	2022	2023
<b>2019 Goals</b>					
Establish Land Bank By-Laws, Board, Meetings	\$10,000				
Guidebook	\$150,000				
Seed funding TBD	\$440,000				
<b>2020 Goals</b>					
Business incubator/Innovation Hub Feasibility Study		\$500,000			
Residential Pilot Project-Tax Foreclosure House for veteran housing		\$50,000			
Community Outreach Oregon City, Estacada, Milwaukie		\$150,000			
<b>2021 Goals</b>					
Finance Loan for Improvements Business Incubator/Innovation Hub			\$8,000,000		
Residential Foreclosure House-Tax Transfer Veteran Housing			\$100,000		
Community Outreach Oregon City, Estacada, Milwaukie			\$150,000		



Task	2019	2020	2021	2022	2023
<b>2022 Goals</b>					
Acquisition due diligence for large-scale redevelopment project					
Residential Foreclosure House-Tax Transfer Veteran Housing				\$150,000	
Site Feasibility for neighborhood-oriented public space				\$500,000	
<b>2023 Goals</b>					
Finance Loan for Improvements neighborhood-oriented public space					\$10,000,000
<b>Total Funds Sources</b>	<b>\$660,000</b>	<b>\$700,000</b>	<b>\$8,250,000</b>	<b>\$650,000</b>	<b>\$10,000,000</b>

Potential Funding Source	Agency	Eligible Activities	Comments
Comcast Settlement Fund	Clackamas County	Clackamas is one of several counties to receive part of a June 2018 settlement of \$155M for Comcast property tax law suit.	Needs local input
Health Equity Zone Program	Clackamas County Health, Housing & Human Services	Emphasis on funding projects that will create coalitions to advance health equity within Clackamas Counties Health Equity Zones	Emphasis on community health and land use is a current focus.
190 bonding authority	Business Oregon	Article XI-Q bonds	Article XI-Q bonds are to be used to acquire, construct, remodel, repair, equip or furnish real or personal property that is owned or operated by the State of Oregon.
Regional Infrastructure Fund (RIF) / Regionally Significant Industrial Sites (RSIS)	Business Oregon	Eligible site readiness activities: land acquisition and assembly costs, planning and engineering, environmental remediation and mitigation, transportation improvements, infrastructure improvements, and site grading.	This program provides state income tax reimbursements to local governments that make industrial sites ready for development. This program is accepting applications until 2023 and has been approved to reimburse up to 100% of total site preparation costs. The department is authorized to reimburse \$10 million a year. At this time, the program is only a tax reimbursement program and is not providing loans or grants. A local government can also sponsor private property owners provided that public dollars pay for only the site readiness costs.

Potential Funding Source	Agency	Eligible Activities	Comments
EB5 funding	USCIS	Entrepreneurs (and their spouses and unmarried children under 21) are eligible to apply for a green card (permanent residence) if they: Make the necessary investment in a commercial enterprise in the United States; and Plan to create or preserve 10 permanent full-time jobs for qualified U.S. workers.	Foreign nationals with U.S. residency can be eligible investors and tenants for redeveloped or rehabilitated property.
Site Specific TIF	Clackamas County and CCLBA through HB 4084	Incentives may include special assessments for land value, exemption for value improvements and personal property. Those incentives can be offered for up to 10 years, with an option to extend for 5 years, according to locally determined criteria. Tax incentives can't exceed cost of cleanup, which must be conducted according to an agreement with Oregon Department of Environmental Quality. Eligibility for these local programs is limited to property owners who did not cause, contribute to or exacerbate contamination at the brown-field site in question	If property changes hands, it remains eligible for incentives as long as the new owner continues to meet eligibility requirements and other obligations of the program. The bill excludes properties under central assessment, federal Superfund sites and state-appraised industrial sites. It also lays out application requirements, eligible costs and "clawback" requirements in the case of violations. There is a 10-year sunset written into the bill.

Potential Funding Source	Agency	Eligible Activities	Comments
HUD Grant Programs	U.S. Department of Housing and Urban Development	HUD grants support a variety of interrelated policy areas, such as affordable housing development, community development, and economic development	HUD programs can vary and a 2019 Notice of Fund Availability (NOFA) has not yet been released.
State Brownfields Redevelopment Fund	Business Oregon	Loans for brownfield sites. Acquisition leading to cleanup	Possibly grants and participation ask available
Metro Housing Bond	Metro	Acquisition and clean-up are both bond eligible	\$653 million Metro affordable housing bond passed Nov. 6, 2018
Opportunity Zone	IRS/Treasury Department	Tax credit incentivized equity investments in qualifying real estate projects and businesses	May be useful in attracting investment in local projects.
SNAP loan	Oregon Finance Authority	Source for acquisition financing	Only available to 501(c)(3) entities – the LBA may want to consider formation of a separate non-profit entity
DEQ Technical Assistance	Oregon Department of Environmental Quality	Environmental Clean-up Program incorporates several sub-programs: Site Assessment, Voluntary Cleanup, Independent Cleanup, Brownfields, Dry Cleaners, Orphans and Site Response. Environmental Cleanup Site Information database.	DEQ can help remove environmental barriers to redevelopment by providing technical assistance and other services to assist parties with investigating, cleaning up, and planning reuse of brownfields

Potential Funding Source	Agency	Eligible Activities	Comments
Emergency Response Program	DEQ	DEQ's Emergency Response Program is designed to carry out legislative direction to work with other agencies and industry to prevent and respond to spills of oil and hazardous materials, and coordinates removal of drug lab materials which would otherwise present a risk to the public.	For sites which pose an imminent risk/danger. Emergency Response Program to oversee short-term cleanups of chemical spills resulting from accidents or natural disasters.
Orphan Program – DEQ	Oregon Department of Environmental Quality	Orphans are sites contaminated by a release of hazardous substances that poses serious threats to human health or the environment, where the parties responsible for the contamination are unknown, unable or unwilling – to pay for needed remedial actions.	
Environmental Health Assessment Program (EHAP)	Oregon Health Authority Environmental Public Health	Site investigations and public health assessments (PHA) of environmental, health outcome, and community health concerns.	Works with nearby communities and agency partners to assess and prevent human exposure to toxics found at Superfund and other contaminated sites.
Build Act and MAC Grants	USEPA	Environmental planning, assessment, cleanup, and education	Can fund CCLBA activities and grants allow a 5% for administration.

Potential Funding Source	Agency	Eligible Activities	Comments
Community Reinvestment Act	Local Banks	Banks are required to earn Community Reinvestment Act Credits, which can be earned by supporting community outreach efforts and by lending to development projects and businesses located in under-service areas.	Helps create win-win partnerships with funding sources and exposure to bank foreclosed brownfield properties.
Impact Investment Funds	Foundations, Pension Funds B-Corp, and other community-oriented source to be identified	Grants, equity and debt vehicles are all potential types of impact investing.	Collaboration partners for patient, publicly-beneficial projects.
Local government IGAs for individual projects	Towns and Cities in the County	Project specific	Enables cities to invest in their own communities using comprehensive development service provided by the CCLBA.
Oregon Tradeswomen	Oregon Tradeswomen	Construction apprenticeship opportunities	Potential in-kind collaboration utilizing CCLBA opportunities for hands-on apprenticeship, training, and workforce development .

## VII. PILOT SITES

Through the course of the preparation of this Business Plan, in consultation with the members of the Project Management Team, a number of sites have been identified as potential targets for possible LBA acquisition. This Business Plan does not identify these sites; to do so risks breaching confidentiality and also risks creating an exaggerated sense of value at least on the part of owners of privately-held property. However, once the LBA is formed, it will want to work with its staff and/or consultants to move forward promptly in the analysis of potential acquisition sites.

In the early years of the LBA when its resources are limited and it is not yet self-sustaining, the LBA will likely want to focus its acquisition efforts on sites that are already in public ownership – i.e. sites that are owned either by the County itself (or one of its branch entities, such as the Urban Renewal Authority); or sites owned by a City, a Special District, or other public entity. This could include surplus portions of existing agency operations. In some events, a partnership could be formed between the LBA and the site-owning entity, whereby the LBA brings its expertise and authority to help clean up a site and then offer it up for redevelopment, creating revenue for both the LBA and the partner agency.

This category of public sites includes sites that have been foreclosed (or are facing foreclosure).

It is conceivable that a private entity may be willing to donate a site – particularly if the site represents a significant liability to the owner (e.g. a known brownfield). For instance, the owner of an industrial site may have some portion of its ownership that is of marginal use, lacks infrastructure access, is contaminated, and is burdened by other constraints. The LBA will want to inventory sites in the County that could potentially fall in this category.

Another important consideration for the LBA is the County's priorities in forming the LBA in the first place. Economic development is of the utmost importance to the Board, and the single most pressing reason for the formation of the LBA. As such, the LBA will want to keep in mind that the first sites it attempts to acquire should be primarily commercially or industrially zoned. Housing and community uses are important, but the creation of new good-paying jobs is, again, the County's first priority with regard to the LBA.

Over time, the LBA should strive to target its acquisitions across a broad swath of the County's geography. Eventually, it is hoped that the LBA will acquire and redevelop

brownfield sites in all or most of the County's cities, including smaller, rural communities such as Estacada, Molalla, and Sandy.

One final consideration – it would be desirable for the LBA to achieve some early successes in its formative years, both to demonstrate the value of the LBA as well as to start generating at least modest revenue.

In practice, this may mean that the LBA purchases one or more relatively modest sites which generate modest returns in terms of job creation, investment value, and impact. A major redevelopment on a large scale brown-field site may be more than the LBA can achieve in the immediate future – even though it is anticipated that this type of project will occur over time.

## VIII. NEXT STEPS

- Present this draft Clackamas County Land Bank Authority Business Plan to the County's Board of Commissioners for the Board's acceptance
- Identify and contact individuals to represent the nine positions to serve on the LBA Board per Section III of this Report (assuming Board acceptance of the specific composition of the LBA Board)
- Prepare resolution or ordinance for County Board of Commissioners action, establishing the Land Bank Authority; formally appointing the initial nine members to the LBA Board for initial terms of two to four years; and authorizing the preparation of an Intergovernmental Agreement between the Business & Community Services Department and the LBA whereby BCS provides staff and other considerations for the initial operation of the LBA
- Initiate Year 1 funding strategy – formally request funding from the State, Metro, cities of Clackamas County, and other agencies as appropriate to contribute towards the initial operations of the LBA. Identify County resources (financial and in-kind) that may serve as a match to attract non-County financial resources
- Contact cities, Special Districts, the County's Urban Renewal Authority, other County Departments and other public entities as appropriate to solicit public properties that might be suitable for LBA ownership and/or partnership; and also to ascertain whether any of these entities would be willing to contribute resources to the LBA



# IX. APPENDICES

**A. EMPLOYMENT SCORING SHEET**

**B. HOUSING SCORING SHEET**

**C. COMMUNITY SCORING SHEET**

**D. REAL ESTATE SCORING SHEET**

**E. OREGON REVISED STATUTE 465.600 - 465.621**

Clackamas County LBA  
Employment Scoring Sheet

Criteria	Criteria Description	Scoring Criteria	Score	Staff Comments
Property Size	Larger properties have the greatest potential for economic impact.	>10 acres - 2, >1 acre - 1, <1 acre - 0		
Degree of Underutilization	The more underutilized a property, the more potential for increase in economic development it has.	ILVR <0.5 - 2, ILVR <1 - 1, ILVR >1 - 0		
Employment Potential	Does the property have the potential to promote job growth?	>10 jobs - 2, <10 jobs - 1, No - 0		
Employment Type	Will jobs created be predominantly family-wage jobs?	>100% MI - 2, >75% MI - 1, <75% MI - 0		
Infrastructure Ready	Would redevelopment of the property require infrastructure upgrades?	No - 2, Limited - 1, Significant - 0		
Zoning	Does current zoning allow commercial or industrial land uses?	Yes - 1, No - 0		
Planning Goals	Projects consistent with planning goals are more implementable and have better long-term success rate.	Yes - 1, No - 0		
Tax Generation Potential	Degree to which redevelopment will increase property tax revenue.	Yes - 1, No - 0		
Within URA	Redevelopment of properties within URA generates TIF.	Yes - 1, No - 0		
Within Enterprise Zone	Redevelopment potential increased due to property tax exemptions.	Yes - 1, No - 0		
Within Opportunity Zone	Redevelopment potential increased due to investment incentives offered.	Yes - 1, No - 0		
Within Qualifying CT for NMTC	Redevelopment potential increased due to investment incentives offered.	Yes - 1, No - 0		
Value Uplift	Will redevelopment of the property increase the value of nearby properties?	Yes - 1, No - 0		
Catalyst Potential	Is the redevelopment of the property likely to catalyze investment in neighboring properties?	Yes - 1, No - 0		
<b>TOTAL SCORE (19 pts. Possible)</b>			<b>0</b>	

Note: The scoring system in the above spreadsheet is a placeholder only and should be refined to reflect community priorities once established by board and/or advisory group.

**Clackamas County LBA  
Housing Scoring Sheet**

Criteria	Criteria Description	Scoring Criteria	Score	Staff Comments
Property Size	Larger properties have the greatest flexibility in housing type and cost efficiency per unit.	>10 acres - 2, >5 acres - 1, <5 acres - 0		
Public Transit Accessible	Does the property afford easy access to public transit?	<0.5 miles to LRT - 2, <0.5 miles to BT - 1, >0.5 miles - 0		
Degree of Underutilization	The more underutilized a property, the more potential for increase in economic development it has.	ILVR <0.5 - 2, ILVR <1 - 1, ILVR >1 - 0		
Infrastructure Ready	Would redevelopment of the property for housing require infrastructure upgrades?	No - 2, Limited - 1, Significant - 0		
Development Challenges	Are there physical conditions (i.e. poor geotechnical conditions or expensive demolition of prior buildings, etc.) present that would impact the financial viability of workforce housing?	No - 2, Limited - 1, Significant - 0		
Contamination Challenges	Are there contaminant conditions that would make residential land use prohibitively expensive due to high remediation costs?	No - 2, Limited - 1, Significant - 0		
Zoning	Does current zoning allow residential development?	Yes - 1, No - 0		
Planning Goals	Would construction of housing on the site be consistent with adjacent land use and area planning goals?	Yes - 1, No - 0		
Walkable	Are services available within 0.5 miles of property?	Yes - 1, No - 0		
Within Opportunity Zone	Redevelopment potential increased due to investment incentives offered.	Yes - 1, No - 0		
Value Uplift	Will redevelopment of the property increase the value of nearby properties?	Yes - 1, No - 0		
Catalyst Potential	Is the redevelopment of the property likely to catalyze investment in neighboring properties?	Yes - 1, No - 0		
<b>TOTAL SCORE (18 pts. Possible)</b>			<b>0</b>	

Note: The scoring system in the above spreadsheet is a placeholder only and should be refined to reflect community priorities once established by board and/or advisory group.

Clackamas County LBA  
Community Scoring Sheet

Criteria	Criteria Description	Scoring Criteria	Score	Staff Comments
Public Safety	Will redevelopment of the property reduce crime at and near the property?	Yes - 1, No - 0		
Nuisance/Blight	Will redevelopment of property eliminate a nuisance condition?	Yes - 1, No - 0		
Preponderance of Brownfields	Is the property located in an area with an exceptionally high number of brownfields?	Yes - 1, No - 0		
Minority Population	Do demographics indicate a high minority population in the property vicinity?	Yes - 1, No - 0		
Vulnerable Population	Do demographics indicate a high elderly, special needs, or young population in the property vicinity?	Yes - 1, No - 0		
High Unemployment	Do demographics indicate a high unemployment rate in the property vicinity?	Yes - 1, No - 0		
High Poverty	Do demographics indicate a high poverty rate in the property vicinity?	Yes - 1, No - 0		
Food Access	Will redevelopment of the property improve access to high quality food?	Yes - 1, No - 0		
Services Access	Will redevelopment of the property improve access to essential services?	Yes - 1, No - 0		
Culturally Sensitive	Will redevelopment of the property preserve a culturally sensitive or historically significant property?	Yes - 1, No - 0		
Community-Based Organization	Will redevelopment of the property directly benefit a community-based organization?	Yes - 1, No - 0		
Recreation	Will redevelopment of the property expand or create a new recreational opportunity for local residents?	Yes - 1, No - 0		
Visibility	Will redevelopment of the property improve perception of area for a large number of community members?	Yes - 1, No - 0		
<b>TOTAL SCORE (13 pts. Possible)</b>			<b>0</b>	

Note: The scoring system in the above spreadsheet is a placeholder only and should be refined to reflect community priorities once established by board and/or advisory group.

**Clackamas County LBA  
Real Estate Scoring Sheet**

Criteria	Criteria Description	Scoring Criteria	Score	Staff Comments
Occupied	Current use and occupancy status	Vacant - 1, Occupied - 0		
Compatible Zoning	Current zoning or potential rezoning compatible with redevelopment plan	Compatible Zoning - 1, Incompatible Zoning - 0		
Redevelopment Barriers	Physical constraints such as site size and dimensions, topography and unusual features, flood zone, geological hazards or constraints, significant habitat and/or wetlands	No - 2, Limited - 1, Significant - 0		
Favorable Access	Frontage and access to highways, roads, rail and other transit	Yes - 1, No - 0		
Infrastructure Ready	Existing and/or needed infrastructure and other on- and off-site improvements including utilities	No - 2, Limited - 1, Significant - 0		
Property Condition	Condition of existing improvements – year of construction, building configurations, general utility, parking, and deferred maintenance	Poor - 2, Good - 1, Excellent - 0		
Property Vicinity	Characteristics and condition of surrounding neighborhood and market area	Favorable - 1, Unfavorable - 0		
Ownership	Current ownership	Public - 1, Private - 0		
For Sale or Lease	Property listed for sale or lease	Yes - 1, No - 0		
Valuation	Assessor's actual valuation, assessed valuation, current property taxes, and back taxes due	Favorable - 1, Unfavorable - 0		
Liens and Loans	Existing liens and loan status (records search or title report)	Favorable - 1, Unfavorable - 0		
Donation Possible	Public Ownership, and/or other circumstances that might allow the LBA to control the site through virtually cashless transfer, i.e.- County foreclosed property	Yes - 1, No - 0		
<b>TOTAL SCORE (15 pts. Possible)</b>			<b>0</b>	

Note: The scoring system in the above spreadsheet is a placeholder only and should be refined to reflect community priorities once established by board and/or advisory group.

**465.600 Definitions for ORS 465.600 to 465.621.** As used in ORS 465.600 to 465.621:

- (1) "Authority" means any public land bank authority created pursuant to ORS 465.600 to 465.621.
- (2) "Brownfield" has the meaning given that term in ORS 285A.185.
- (3) "Local government" means a local government as defined in ORS 174.116 or a intergovernmental entity created under an intergovernmental agreement between two units of local government under ORS 190.010.
- (4) "Remedial action," "remedial action costs" and "removal" have the meanings given those terms in ORS 465.200. [2015 c.631 §1]

**Note:** 465.600 to 465.621 were enacted into law by the Legislative Assembly but were not added to or made a part of ORS chapter 465 or any series therein by legislative action. See Preface to Oregon Revised Statutes for further explanation.

**465.603 Procedure to create public authority.** (1) A local government may, upon its own motion, consider whether it is advisable to create an authority for the purpose of acquiring, rehabilitating, redeveloping, reutilizing or restoring brownfield properties that are located within the geographic boundaries over which the local government has jurisdiction.

(2) If the local government, after public hearing according to the local government's rules, determines that it is wise and desirable to create in an authority the powers and duties set forth in ORS 465.600 to 465.621, the local government shall by ordinance or resolution create such an authority. The ordinance or resolution shall set forth:

- (a) The name of the authority, which shall be "The Land Bank Authority of (local government), Oregon" or other similar distinctive name.
- (b) The number of directors of the authority, which must be an odd number not less than five or more than 11.
- (c) The names of the initial directors and their initial terms of service, which may not exceed four years.
- (d) Other provisions that may be appropriate and not inconsistent with ORS 465.600 to 465.621 or the laws of Oregon.

(3) Upon the adoption of an ordinance or resolution under subsection (2) of this section, the authority shall be deemed established as a municipal corporation of the state and as a body corporate and politic exercising public powers. Notwithstanding any law to the contrary, the authority shall exist as a legal entity separate from the local government that created the authority.

(4) An authority organized under this section shall have all the powers and duties contained in ORS 465.600 to 465.621. [2015 c.631 §2]

**Note:** See note under 465.600.

**465.606 Board of directors; rules; quorum; personnel.** (1) An authority shall be managed and controlled by a board of directors. The initial board of directors shall be appointed by the local government that created the authority. Subsequent directors shall be appointed as provided in this section and the rules adopted by the authority.

(2) The regular term of a member of the board is four years. The board may establish special terms for positions that are shorter than four years for the purpose of staggering the terms of members of the board. Before the expiration of the term of a member, a successor shall be appointed whose term begins on January 1 of the year next following. A member is eligible for reappointment but may serve no more than a total of three terms, including terms shorter than four years. If there is a vacancy for any cause, a new member shall be appointed to complete the unexpired term, subject to the requirements of subsection (3) of this section.

(3) The board of directors must include:

- (a) At least one director who is also a member of the governing body of the local government that created the authority;
- (b) At least one director who represents the largest municipal corporation within the geographic jurisdiction of the local government that is not a school district;
- (c) At least one director who represents the largest school district within the geographic jurisdiction of the local government; and
- (d) Subject to the maximum number of directors allowed by the ordinance or resolution establishing the authority, one or more directors who are also members of civic organizations that serve the same geographic jurisdiction as the authority and that have a purpose or mission that aligns with that of the authority.

(4) The board shall hold an annual meeting. The board shall select from among themselves at the annual meeting a chairperson, vice chairperson, secretary, treasurer and other officers as the board determines.

(5) The board shall adopt and may amend rules for calling and conducting its meetings and carrying out its business and may adopt an official seal. All decisions of the board shall be by motion or resolution and shall be recorded in the

board's minute book, which shall be a public record. A majority of the directors of the board constitutes a quorum for the transaction of business, and a majority is sufficient to pass a motion or resolution.

(6) The board may employ employees and agents as the board deems appropriate and provide for their compensation. The employees and agents of the authority are not employees or agents of the local government that created the authority.

(7) A director is not entitled to compensation for service on the board of an authority. [2015 c.631 §3]

**Note:** See note under 465.600.

**465.609 General powers; advisory committees; notice of land disposition; report.** (1) An authority shall have all powers necessary to accomplish the purposes of acquiring, rehabilitating, redeveloping, reutilizing or restoring brownfield properties, including without limitation the power to:

(a) Sue and be sued, plead and be impleaded in all actions, suits or proceedings brought by or against the authority.

(b) Acquire, hold, use, enjoy and convey, lease or otherwise dispose of any interest in:

(A) Brownfield properties within the authority's geographic jurisdiction;

(B) Properties undergoing removal or remedial action under the supervision or approval of the Department of Environmental Quality that are within the authority's geographic jurisdiction; and

(C) Personal property.

(c) Conduct removal or remedial action on real property in which the authority has a property interest under an agreement with the Department of Environmental Quality.

(d) Assist parties that are interested in acquiring a property interest in real property held by the authority with entering into an agreement with the Department of Environmental Quality under ORS 465.327.

(e) Enter into contracts with any person.

(f) Borrow moneys and issue notes and revenue bonds for the purpose of carrying out the authority's powers.

(g) Invest moneys into property, securities or other instruments.

(h) Obtain insurance.

(i) Solicit and accept grants, gifts or other assistance from a public or private source.

(j) Develop and prepare plans or reports to evaluate the authority and to guide future improvements to the processes and operations of the authority.

(k) Develop priorities for the use of property of the authority that may include, but are not limited to, public use, affordable housing, open space and commercial or industrial development.

(L) Adopt and amend ordinances and resolutions.

(2) An authority may establish an advisory committee to advise the board of directors of the authority on the interests of the community in the actions of the board and the authority. If a committee is established, a member of the committee shall serve as a liaison between the board of the authority and a community of interest affected by a decision or proposed decision of the board.

(3) An authority shall give public notice of a proposed disposition of any interest in real property held by the authority. The notice shall allow 30 days for the public to comment on the proposed disposition. The authority shall provide responses to comments prior to final disposition of the property interest.

(4) An authority shall annually prepare and submit a report to the Governor and, in the manner described in ORS 192.245, submit the report to the Legislative Assembly. The report must summarize the activity of the authority, including a list of real properties in which the authority has acquired or disposed of a property interest, the method of acquisition or disposition, the price paid or received for each property and additional information as requested by the Governor, the President of the Senate or the Speaker of the House of Representatives. [2015 c.631 §4]

**Note:** See note under 465.600.

**465.612 Obligations of authority not obligations of local government; exception.** (1) Except as provided in subsection (2) of this section, the debts, obligations and other liabilities of an authority are not a general or other obligation or liability of the local government that created the authority.

(2) A local government may incur debt, including the issuance of bonds under any bonding authority available to the local government, on behalf of an authority created by the local government and, by ordinance or resolution, deem a debt incurred under this subsection to be a general obligation of the local government and a charge upon its tax revenues. [2015 c.631 §5]

**Note:** See note under 465.600.

**465.615 Exemption from taxation.** (1) Except as provided in subsection (2) of this section, an authority, all assets owned by the authority, the income from those assets, and all bonds issued by the authority, together with the coupons

applicable to those bonds and the income from the bonds, shall be exempt from all taxation in the State of Oregon.

(2) The real and personal property owned by the authority and leased to a third party shall be subject to property taxation if the property would be subject to taxation if owned by the lessee. [2015 c.631 §6]

**Note:** See note under 465.600.

**465.618 Remedial action costs; recovery.** (1) An authority shall keep a record of the authority's remedial action costs.

(2) Notwithstanding any law to the contrary, an authority may, based on the record compiled by the authority under subsection (1) of this section, bring an action to recover from a person liable under ORS 465.255 or 465.260 the amount of the authority's remedial action costs.

(3) In an action brought by an authority to recover remedial action costs under ORS 465.255 (1) or damages under ORS 468B.310 (1), the court may allow the authority to recover costs, expert witness fees, reasonable attorney fees and prejudgment or preaward interest if the authority prevails in the action. [2015 c.631 §7]

**Note:** See note under 465.600.

**465.621 Dissolution.** (1) Dissolution of an authority may be initiated:

(a) By resolution of the board of directors of the authority, filed with the local government that created the authority, if the board determines that dissolution of the authority is in the best interest of the community served by the authority; or

(b) By resolution of the local government that created the authority:

(A) If, at the time of the annual meeting of the board, board members have not been appointed to fill vacancies on the board as required by ORS 465.606; or

(B) If the local government determines that dissolution of the authority is in the best interest of residents within the jurisdiction of the local government.

(2) Within five days after a resolution of the board is filed or a resolution of the local government is adopted under this section, a copy shall be filed with the secretary of the authority, if any, or with any other officer of the authority who can with reasonable diligence be located.

(3) If there are no members of the board of directors of the authority, the local government shall act as or appoint a board of trustees to act on behalf of the authority to develop and implement a plan for dissolution.

(4) Within 60 days after initiation of the dissolution proceeding, a plan of dissolution shall be filed with the office of the clerk of the county in which the authority is located and shall be available for inspection by any interested person.

(5) Upon approval of dissolution by the governing body of the local government that created the authority, the authority shall be declared dissolved. If the local government has not appointed a board of trustees under subsection (3) of this section:

(a) The board of directors shall constitute a board of trustees that shall pay the debts or procure releases of the debts and dispose of the property of the authority; or

(b) The board of directors may designate the local government as the board of trustees for the purpose of winding up the affairs of the authority.

(6) After the affairs of the authority have been fully settled, all books and records of the authority shall be deposited by the board of trustees in the office of the county clerk of the county in which the authority is located. At the same time, the board of trustees shall execute under oath, and file with the local government that created the authority, a statement that the authority has been dissolved and its affairs liquidated. From the date of the statement, the corporate existence of the authority is terminated for all purposes. [2015 c.631 §8]

**Note:** See note under 465.600.