Chapter 223

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Local Improvements and Works Generally

GENERAL PROVISIONS

223.001 Definitions

CONDEMNATION FOR CITY IMPROVEMENTS; SPECIAL PROCEDURE

223.005 Condemnation for public use within and without city limits

223.010 Right of city to enter upon, survey, examine and select property to be condemned

223.015 Manner of condemnation; compensation

223.020 Scope of condemnation

MUNICIPAL CONDEMNATION PROCEEDINGS

223.105 Proceedings to condemn property for city improvements when owner and city disagree on price

ECONOMIC IMPROVEMENT DISTRICTS

223.112 Definitions for ORS 223.112 to 223.132

223.114 Economic improvement district; assessment ordinance

223.117 Requirements of assessment ordinance

223.118 Remonstrance against assessment; exclusion of property

223.119 Advisory committee; functions

223.122 Effect of urban renewal districts or local improvement districts

223.124 Extension of assessment period

223.127 Application of certain assessment statutes to economic improvement districts

223.129 Expenditure of assessment revenues; liability for unauthorized expenditures

223.132 Formation of economic improvement districts as additional power of cities

223.141 Definitions for ORS 223.141 to 223.161

223.144 Economic improvement district; business license ordinance

223.147 Requirements of business license ordinance

223.151 Advisory committee; functions

223.154 Extension of business licensing period

223.157 Expenditure of business license revenues; liability for unauthorized expenditures

223.161 Effect of urban renewal districts or local improvement districts

FINANCING LOCAL IMPROVEMENTS (BANCROFT BONDING ACT)

223.205 Scope and application; validation of bond issues by cities of 100,000 or more

223.207 Purpose of ORS 223.208

223.208 Systems development and connection charges of governmental units subject to Bancroft Act

223.210 Right of property owners to apply for installment payment of assessment

223.212 Right of educational, religious, fraternal or charitable organizations and public corporations to bond the assessment

223.215 Contents of application to pay in installments; computation of installments

223.225 Record of application to be kept

223.230 Bond lien docket; interest; priority

223.235 Issuance of bonds; limitations

223.245 Budget to include bond payments

223.260 Sale of bonds; disposition of proceeds from bond sales

223.262 Assessment contracts; transfer of contract rights by governmental unit; use of proceeds

223.265 Payment of installments; due dates

223.270 Procedure for collection on default

223.275 Notice to pay; receipts and entries on lien docket

223.280 Right of owner to prepay balance and discharge lien

223.285 Separate funds kept for moneys received; investments authorized

223.290 Payments entered on lien docket; lien discharge

223.295 Limit on city indebtedness

SYSTEM DEVELOPMENT CHARGES

223.297 Policy

223.299 Definitions for ORS 223.297 to 223.314

223.302 System development charges; use of revenues; review procedures

223.304 Determination of amount of system development charges; ordinance; credit allowed against charge; limitation of action contesting ordinance imposing charge

223.307 Authorized expenditure of system development charges

223.309 Preparation of plan for capital improvements financed by system development charges

223.311 Deposit of system development charge revenues; annual accounting

223.313 Application of ORS 223.297 to 223.314

223.314 Adoption of system development charge not a land use decision

APPORTIONMENT OF GOVERNMENT ASSESSMENTS UPON PARTITION

223.317 Apportionment of special assessment among parcels in subsequent partition of tract

223.322 Prorate of unpaid installments

223.327 Procedure for equitable apportionment by ordinance or regulation

ASSESSMENTS FOR LOCAL IMPROVEMENTS

223.387 Description of real property; effect of error in name of owner

223.389 Procedure in making local assessments for local improvements
223.391 Notice of proposed assessment to owner of affected lot
223.393 Assessments become liens
223.395 Deficit assessments or refunds when initial assessment based on estimated cost
223.399 Powers of governmental unit concerning assessments for local improvements
223.401 Review of assessment

REASSESSMENT

223.405 Definitions for ORS 223.405 to 223.485
223.410 Authority of governing body to make reassessment
223.415 Basis for, amount and method of reassessment
223.420 Effect of reassessment; exceptions
223.425 Resolution to reassess
223.430 Publication of notice of reassessment; contents
223.435 Personal notice to each owner; right to file objections
223.440 Hearing on objections; revision of reassessment
223.445 Reassessment ordinance or resolution
223.450 Lien docket entry; crediting prior payments
223.455 Right of purchaser at sale under prior assessment
223.462 Review of reassessment
223.485 Additional reassessment procedure; time limitation

METHODS OF ENFORCING LIENS AND COLLECTING ASSESSMENTS

223.505 Definitions for ORS 223.510 to 223.595
223.510 Authority to sell property for delinquent liens and assessments
223.515 Preparation, transmission and contents of delinquent list
223.520 Procedure in collecting delinquencies
223.523 Notice of sale; publication; personal notice to property owner and occupant
223.525 Conduct of foreclosure sale
223.530 Title of purchaser
223.535 Record of sales; receipts for lien payments
223.540 Payment of sale price
223.545 Purchase by governmental unit in absence of bids
223.550 Certificate of sale; contents
223.555 Lien docket entries mandatory
223.560 Unsold property reoffered; exceptions
223.565 Procedure and conditions of redemption
223.570 Execution and contents of deed to purchaser
223.575 Legal and evidentiary effect of deed
223.580 Grantee of deed entitled to possession
223.585 Time limitation on actions to recover sold property
223.590 Tender of purchase price in action to recover property
223.593 Alternate redemption procedure; cash payment required
223.595 Validation of prior foreclosure proceedings
223.605 Definitions for ORS 223.605 to 223.650
223.610 Foreclosure of certain liens by suits in equity
223.615 Governmental unit may recover attorney fees
223.620 Laws applicable to foreclosure proceedings
223.625 Liens which may be included in foreclosure suit
223.630 Joinder of parties in interest as defendants
223.635 Complaint served on owner; issues tried separately
223.640 Allegations of jurisdictional facts
223.645 Right of governmental unit to bid at execution sale
223.650 Redemption; no deficiency judgment

FINANCING OF LOCAL IMPROVEMENTS; REBONDING; REINSTATEMENT; TYPE OF BONDS ACCEPTED IN PAYMENT OF LIENS; ASSESSMENT OF PUBLIC PROPERTY

223.705 Rebonding of unpaid assessments
223.710 Rebonding application; form; prerequisites
223.715 Payment of rebonded assessment
223.720 Amount of lien; priority
223.725 Issuance and sale of bonds
223.730 Application of proceeds from sale of bonds
223.735 Debt limitation of governmental unit not applicable
223.740 General provisions applicable
223.745 Scope of power granted
223.750 Enactment of rulemaking ordinances; effect of irregularities
223.755 Reinstatement of delinquent bonded assessments authorized
223.760 H.O.L.C. bonds accepted in payment of assessment liens
223.765 Bonds accepted as payment for assessment liens
223.770 Assessment of public property benefited by improvements
223.775 Assessment of property of cemetery authority benefited by certain improvements

SPECIAL CITY IMPROVEMENTS; PARKING FACILITIES; STREETS; SIDEWALKS; AIDS TO WATER COMMERCE

223.805 Short title of ORS 223.805 to 223.845
223.810 Establishment of motor vehicle parking facilities
223.815 Acquisition of property for parking facilities
223.820 Planning, constructing and contracting for the operation of or leasing parking facilities
223.825 Financing of parking facilities
223.830 Service concessions in parking facilities
223.835 Fees and regulations of parking facilities
223.840 Disposing of property acquired for parking facilities
223.845 Limitation on operation by city of parking facilities; disbursement of revenues

223.851 Special assessment for street lighting, street maintenance and street cleaning; approval by electors

223.856 Measure imposing assessments; contents

223.861 Basis of assessment

223.866 Levy of assessment; manner of collection; effect of nonpayment

223.876 Charter authority not affected

223.878 Inclusion of property outside city in city assessment for local street improvement

223.880 Public roads included in sidewalk improvement district; assessment on property benefited

223.882 Acquisition of property by city to aid water commerce

223.884 Authority to take property within and without city limits

223.886 Loans authorized to finance improvements; security for loans; consent of electors

223.888 Authority of city to carry out law

223.900 Leasing property to individuals

MISCELLANEOUS

223.905 Duration of Public Works Acts

223.910 Validation of bonds issued under Public Works Act of 1937

223.915 Operation of municipal debt limitations on bonds issued under Public Works Act of 1937

223.920 Manner of paying bonds

223.925 Power of cities to secure payment of bonds

223.930 Streets along city boundaries or partly within and without city

223.935 Basis for legalization of road

223.940 Proceedings for legalization of roads; report; notice

223.945 Compensation for property affected by road legalization

223.950 Order under road legalization proceeding

CROSS REFERENCES

Acquisition of railroad lines, 760.610

Building inspectors, use by Construction Contractors Board, 701.225

Building ordinances, application to public property, 227.286

Building permit fees collected by municipality, surcharge, 455.210

City as geothermal heating district, 523.020

City-county agreements as to road improvements in Portland, 373.260

City operation of ferries, 381.300, 384.305

Construction of:

- Armories, 396.530
- Community houses, 276.732
- Interstate toll bridges, 381.605
- Railroad crossings, Ch. 763

Contracts for clearing rights of way, 477.690

Cooperation of cities in:

- Development of airfields, 835.015, 836.200 to 836.245
- Erection of interstate bridges, 381.210
- Erection of intrastate bridges, 382.505
- Joint performance of functions, Ch. 190

County master plan may include park and recreation facilities, diking and flood control facilities, 451.010

County may include property outside county or in city in county assessment for local improvement, 203.132

Curbing, standards for construction, 447.310

Election to determine whether city shall issue bonds for construction of interstate bridge, 381.611

Economic development projects for cities over 300,000 in population, 280.410 to 280.485

Financing cost of waterworks by city, benefit assessments, 225.080

Financing of public projects and improvements, Ch. 280

Geothermal heating district financing, Ch. 523

Highways, improvement by cities of less than 100,000, 373.210

Inclusion of property outside city in city assessment for local improvement, 223.878

Industrial facilities, acquisition and disposition, 271.510 to 271.540

Joint operating agencies for electrical power, 262.005 to 262.115

Liability for main or outfall relocation costs caused by material removal, 273.765

Lifesaving services on ocean shore, grants for cities and counties, 390.270 to 390.290

Pedestrian Mall Law of 1961, 376.705 to 376.825

Port of Portland, improvements generally, 778.025

Public contract requirements, landscape architectural service projects, 671.412

Service facilities, master plans and districts for, Ch. 451

Sewage charge on water users, 224.510

Sewage disposal, authority, 454.205 to 454.255

Street use restrictions, liability of city or mass transit district for reduced commercial property value, 105.850 to 105.870

Tax status of property held under lease or lease-purchase by institution, organization or public body other than state, 307.112

Underground assessment district, creation, 758.210 to 758.270

Urban renewal plans, projects and financing, Ch. 457

Validity of city street improvement assessment of county road, 373.280

Water resources policy, state, conformance required, 536.300 to 536.400

223.005

Condemnation for:

- Cemetery, 226.570 to 226.610
- Change of water flow, 224.030
- City parks, 226.210
- City sewer construction, 224.020
- Housing projects, 456.145
- Irrigation and fire protection, 225.330
- Municipal airfields, 836.215
- Municipal telephone system, 225.110
- Municipal utilities, 225.020
- Ports, 777.116, 778.095
- Public grounds and memorials, 226.380
- Soldiers' homes, 408.530
- Street widening, 227.300
- Unappropriated waters, 225.290

Excess condemnation for street extensions, 281.505 to 281.550

Joint condemnation of water rights with other:

Cities, 225.050

States, 225.060

223.015

Condemnation procedure generally, Ch. 35

Condemnation procedure to be followed by cities, 281.010

223.205 to 223.295

Homestead deferral of special assessments for local improvements, 311.702 to 311.735

223.205

City improvement warrants, 287.502

Declaration of state housing policy, HJR 8 (1977)

Short term borrowing by cities, 287.442

223.210

Refinancing of obligations of governmental unit, Ch. 287

Refunding installment assessment bonds, 287.252

223.260

Information on bond issues to Municipal Debt Advisory Commission, 287.040, 287.042

223.295

City improvement warrants, 287.502

223.410

Refinancing of city obligations generally, Ch. 287

223.510

Notice to lienholders of proposed tax sale, 312.400

Redemption from tax foreclosure by city having liens, 312.170

223.705

Refinancing of city obligations, Ch. 287

223.810

Recommendations and report of city planning commission on improvements, 227.090

223.930

Authority of Department of Transportation over city streets, 373.010 to 373.030

Cooperation of city and state in building through highways, 374.070 to 374.080

County using city street for bridge approach, 373.130

Highway lighting districts, Ch. 372

Roads and highways through cities, Ch. 373

State aid for city streets, 366.800

Surrender of county road to city, 373.270

GENERAL PROVISIONS

223.001 Definitions. As used in ORS 223.112 to 223.132, 223.205 to 223.295, 223.297 to 223.314, 223.317 to 223.327, 223.387 to 223.399, 223.405 to 223.485, 223.505 to 223.595, 223.605 to 223.650, 223.705 to 223.755, 223.765, 223.770, 223.775 and 223.805 to 223.845, unless the context requires otherwise:

(1) "Actual cost" has the meaning given the term under ORS 310.140.

(2) "Capital construction project" means a project for "capital construction," as defined under ORS 310.140.

(3)(a) "Estimated assessment" means, with respect to each property to be assessed in connection with a local improvement, the total assessment that, at the time of giving notice of the assessment and the right to object or remonstrate, the governmental unit estimates will be levied against the property following completion of the local improvement. The estimate shall be based on the governmental unit's estimate at that time of the actual costs of the local improvement and the proposed formula for apportioning the actual costs to the property.

(b) "Estimated assessment" shall be determined by:

(A) Excluding from estimated actual costs the estimated financing costs associated with any bonds issued to accommodate the payment of the assessment in installments; and

(B) Including in estimated actual costs the estimated financing costs associated with interim financing of the local improvement.

(4) "Final assessment" means, with respect to each property to be assessed in connection with a local improvement, the total assessment levied against the property following completion of the local improvement. The total assessment shall be based on the actual costs of the local improvement and the formula for apportioning the actual costs to the property.

(5)(a) "Financing" means all costs necessary or attributable to acquiring and preserving interim or permanent financing of a local improvement.

(b) The costs of financing may include the salaries, wages and benefits payable to employees of the governmental unit to the extent the same are reasonably allocable to the work or services performed by the employees in connection with the financing of a local improvement or any part thereof. However, as a condition to inclusion of any salaries, wages or benefits payable to employees of a governmental unit as financing costs of a local improvement or any part thereof, the governmental unit shall establish a record keeping system to track the actual work done or services performed by each employee on or in connection with such local improvement.

(c) Financing costs that are to be incurred after the levy of a final assessment may be included in the final assessment based on the governmental unit's reasonable estimate of the financing costs if the governmental unit first documents the basis for the estimate and makes the documentation available to interested persons on request.

(6) "Governing body" means the council, commission, board or other controlling body, however designated, in which the legislative powers of a governmental unit are vested.

(7) "Governmental unit" means a city, county, district as described under ORS 198.010 or 198.180, or any other municipal, quasi-municipal or public corporation with authority to undertake the acquisition, construction, reconstruction, repair, betterment or extension of a local improvement but does not include a common or union high school district, education service district, community college district, community college service district or other unit providing public elementary, secondary or post-secondary education, or any combination thereof.

(8) "Installment application" means an application filed by a property owner to have a final assessment paid in installments over a period of years.

(9) "Local improvement" has the meaning given the term under ORS 310.140.

(10) "Lot" means a lot, block or parcel of land.

(11) "Owner" means the owner of the title to real property or the contract purchaser of real property of record as shown on the last available complete assessment roll in the office of the county assessor.

(12) "Recorder" means the auditor, recorder, clerk or other person or officer of a governmental unit serving as clerk of the governmental unit or performing the clerical work of the governmental unit, or other official or employee as the governing body of a governmental unit shall designate to act as recorder.

(13) "Structure" has the meaning given the term under ORS 310.140.

(14) "Treasurer" means the governmental unit elected or appointed official, however designated, charged by law with the responsibility for acting as custodian of and investment officer for the public moneys of the governmental unit. [1991 c.902 §3]

CONDEMNATION FOR CITY IMPROVEMENTS; SPECIAL PROCEDURE

223.005 Condemnation for public use within and without city limits. Any incorporated city may:

(1) Appropriate any private real property, water, watercourse and riparian rights to any public or municipal use or for the general benefit and use of the people of the city, including but not limited to appropriation for an aviation field, park, city hall, city buildings, jail, or to protect the city from overflow by freshets.

(2) Appropriate any real property, water, watercourse and water and riparian rights, including power sites, to any public or municipal use or for the general benefit and use of the people within or without the city, and to build dams, reservoirs and conduits for the purpose of storing and using water to aid in developing the necessary power to generate electricity for the use and benefit of the people within or without the city.

(3) Condemn for its use private property for the purpose of erecting and maintaining electric lines thereon for the purpose of generating and conveying power to light and heat the city, and to be used and sold by the city for manufacturing, transportation, domestic and other purposes, either within or without the corporate limits of the city, and for the purpose of constructing electrical systems for municipal uses. [Amended by 1971 c.134 §1]

223.010 Right of city to enter upon, survey, examine and select property to be condemned. For the purposes of ORS 223.005, a city may enter upon, survey, examine and select any such property or rights for the purpose of constructing any ditch, drain, dam, dike, canal, flume, sewer, reservoir, septic tank, filter bed, sewer form or purifying plant or laying or constructing and maintaining any pipe, sewer, drain, aqueduct, dam, dike, canal, flume, reservoir, septic tank, filter bed, sewer form or purifying plant or other plant, building or electric lines or system for municipal uses, including but not limited to, aviation fields, parks, city hall, city buildings, jails, docks, piers, slips, shore and terminal structures. [Amended by 1971 c.134 §2]

223.015 Manner of condemnation; compensation. After selection of such rights and property under ORS 223.010 in such manner as the council provides, the city seeking to make the appropriation may proceed in the manner prescribed by the statutes for the appropriation of land for corporate purposes, and not otherwise, unless otherwise provided by law, to have such property appropriated and the compensation therefor determined and paid. However, the compensation for such condemnation by a city shall be paid by a deposit in the court of an order drawn upon the city treasurer for the amount of compensation.

223.020 Scope of condemnation. Appropriation of property under ORS 223.005 may extend beyond the corporate limits of the city to or along and including any lake, spring, stream or power site.

223.025 [Repealed by 1963 c.297 §1]

223.030 [Repealed by 1963 c.297 §1]

223.035 [Repealed by 1963 c.297 §1]

223.040 [Repealed by 1963 c.297 §1]

MUNICIPAL CONDEMNATION PROCEEDINGS

223.105 Proceedings to condemn property for city improvements when owner and city disagree on price. (1) The provisions of this section apply to every city, whether organized under general law or otherwise.

(2) Whenever the council of any incorporated city deems it necessary to take or damage private property for the purpose of establishing, laying out, extending or widening streets, or other public highways and places within any city, or for rights of way for drains, sewers or aqueducts, or for widening, straightening or diverting channels of streams and the improvement of waterfronts, and the council cannot agree with the owner of the property as to the price to be paid, the council may direct proceedings to be taken under the general laws of this state to procure the same.

ECONOMIC IMPROVEMENT DISTRICTS

223.110 [Repealed by 1971 c.741 §38]

223.112 Definitions for ORS 223.112 to 223.132. As used in ORS 223.112 to 223.132, unless the context requires otherwise:

(1) "Council" means the city council or other controlling body of a city.

(2) "Economic improvement" means:

(a) The planning or management of development or improvement activities.

(b) Landscaping or other maintenance of public areas.

(c) Promotion of commercial activity or public events.

(d) Activities in support of business recruitment and development.

(e) Improvements in parking systems or parking enforcement.

(f) Any other economic improvement activity for which an assessment may be made on property specially benefited thereby. [1985 c.576 §1; 1991 c.902 §4]

223.114 Economic improvement district; assessment ordinance. (1) A council may enact an ordinance establishing a procedure to be followed by the city in making assessments for the cost of an economic improvement upon the lots which are specially benefited by all or part of the improvement.

(2) In any ordinance adopted under subsection (1) of this section, a city shall not be authorized to:

(a) Levy assessments in an economic improvement district in any year that exceed one percent of the real market value of all the real property located within the district.

(b) Include within an economic improvement district any area of the city that is not zoned for commercial or industrial use.

(c) Levy assessments on residential real property or any portion of a structure used for residential purposes. [1985 c.576 §2; 1989 c.1018 §3; 1991 c.459 §350; 1991 c.902 §5]

223.115 [Repealed by 1971 c.741 §38]

223.117 Requirements of assessment ordinance. (1) An ordinance adopted under ORS 223.114, shall provide for enactment of an assessment ordinance that:

(a) Describes the economic improvement project to be undertaken or constructed.

(b) Contains a preliminary estimate of the probable cost of the economic improvement and the proposed formula for apportioning cost to specially benefited property.

(c) Describes the boundaries of the district in which property will be assessed.

(d) Specifies the number of years, to a maximum of five, in which assessments will be levied.

(e) Contains provision for notices to be mailed or delivered personally to affected property owners that announce the intention of the council to construct or undertake the economic improvement project and to assess benefited property for a part or all of the cost. The notice shall state the time and place of the public hearing required under paragraph (f) of this subsection.

(f) Provides for a hearing not sooner than 30 days after the mailing or delivery of notices to affected property owners at which the owners may appear to support or object to the proposed improvement and assessment.

(2) The ordinance shall also:

(a) Provide that if, after the hearing held under paragraph (f) of subsection (1) of this section, the council determines that the economic improvement shall be made, the council shall determine whether the property benefited shall bear all or a portion of the cost and shall determine, based on the actual or estimated cost of the economic improvement, the amount of assessment on each lot in the district.

(b) Require the city recorder or other person designated by the council to prepare the proposed assessment for each lot in the district and file it in the appropriate city office.

(c) Require notice of such proposed assessment to be mailed or personally delivered to the owner of each lot to be assessed, which notice shall state the amount of the assessment proposed on the property of the owner receiving the notice. The notice shall state the time and place of a public hearing at which affected property owners may appear to support or object to the proposed assessment. The hearing shall not be held sooner than 30 days after the mailing or personal delivery of the notices.

(d) Provide that the council shall consider such objections and may adopt, correct, modify or revise the proposed assessments.

(e) Provide that the assessments will not be made and the economic improvement project terminated when written objections are received at the public hearing from owners of property upon which more than 33 percent of the total amount of assessments is levied. [1985 c.576 §3; 1989 c.1018 §4]

223.118 Remonstrance against assessment; exclusion of property. (1) In addition to the requirements listed in ORS 223.117 (2), an assessment ordinance adopted under ORS 223.114 and 223.117 may, at the discretion of the council, provide that:

(a) When the council receives written objections at the public hearing only from owners of property upon which less than 33 percent of the total amount of assessments is levied, the economic improvement project may be undertaken or constructed, but that assessments shall not be levied on any lot or parcel of property if the owner of that property submitted written objections at the public hearing. Notwithstanding any other provision of law, an owner of property who fails to submit written objections at the public hearing as provided for in the ordinance shall be deemed to have made a specific request for the economic improvement services to be provided during the period of time specified in the assessment ordinance.

(b) The council, after excluding from assessment property belonging to such owners, shall determine the amount of assessment on each of the remaining lots or parcels in the district.

(c) Notice of such proposed assessment be mailed or personally delivered to the owner of each lot to be assessed, which notice shall state the amount of the assessment proposed on the property of the owner receiving the notice.

(2) When assessments are levied against property within an economic improvement district in accordance with an assessment ordinance that contains the provisions described in subsection (1) of this section:

(a) Any new owner of benefited property in the district or any owner of benefited property who excluded the property from assessment by submitting written objections to the council may subsequently agree to the assessment of the owner's property in the district. The council shall apportion the costs to the property for the remaining time in which assessments will be levied.

(b) The assessed property may not be relieved from liability for that assessment.

(c) If the council considers it necessary to levy assessments upon property in the district for longer than the period of time specified in the assessment ordinance, the council shall enact an ordinance that provides for continued assessments for a specified number of years and grants to property owners in the district the notice and right of remonstrance described in ORS 223.117 (2)(b) to (e) and paragraphs (a) to (c) of subsection (1) of this section. [1991 c.773 §2]

223.119 Advisory committee; functions. An ordinance adopted under ORS 223.114, may require creation, for each economic improvement district, of an advisory committee to allocate expenditure of moneys for economic improvement activities within the scope of ORS 223.112 to 223.132. If an advisory committee is created, the council shall strongly consider appointment of owners of property within the economic improvement district to the advisory committee. An existing association of property owners or tenants may enter into an agreement with the city to provide the proposed economic improvement. [1985 c.576 §4; 1989 c.1018 §5]

223.120 [Repealed by 1971 c.741 §38]

223.122 Effect of urban renewal districts or local improvement districts. The existence of local improvement districts or urban renewal districts in a city does not affect the creation of economic improvement districts under ORS 223.112 to 223.132. [1985 c.576 §5]

223.124 Extension of assessment period. When the council considers it necessary to levy assessments upon property in an economic improvement district for longer than the period of time specified in the assessment ordinance that created the district, the council shall enact an ordinance that provides for continued assessments for a specified number of years and grants to property owners in the district the notice and right of remonstrance described in ORS 223.117 (2)(b)to (e). [1985 c.576 §6]

223.125 [Repealed by 1971 c.741 §38]

223.127 Application of certain assessment statutes to economic improvement districts. (1) ORS 223.387 and 223.391 to 223.395 apply to economic improvement districts created by a city in accordance with ORS 223.112 to 223.132.

(2) The rights and duties accorded governmental units and the owners of property for financing assessments under ORS 223.205 and 223.210 to 223.295 apply to assessments levied upon property in an economic improvement district for financing all or part of the cost of an economic improvement. [1985 c.576 §7; 1991 c.902 §6]

223.129 Expenditure of assessment revenues; liability for unauthorized expenditures. (1) A city council shall not expend any moneys derived from assessments levied under ORS 223.112 to 223.132 for any purpose different from the purpose described in the ordinance adopted under ORS 223.114.

(2) Any public official who expends any moneys derived from assessments levied under ORS 223.112 to 223.132 for any purpose different from the purpose described in an ordinance adopted under ORS 223.114 shall be civilly liable for the return of the moneys by suit of the district attorney of the county in which the city is located or by suit of any taxpayer of the city. [1985 c.576 §8]

223.130 [Repealed by 1971 c.741 §38]

223.132 Formation of economic improvement districts as additional power of cities. The authority granted to cities by ORS 223.112 to 223.132, is in addition to any other authority a city may have under state law, its charter or its ordinances to create or finance economic improvement districts. [1989 c.1018 §2]

223.135 [Repealed by 1971 c.741 §38]

223.140 [Repealed by 1971 c.741 §38]

223.141 Definitions for ORS 223.141 to 223.161. As used in ORS 223.141 to 223.161, unless the context requires otherwise:

(1) "Business license fee" means any fee paid by a person to a city for any form of license that is required by the city in order to conduct business in that city.

(2) "Conducting business" means to engage in any business, trade, occupation or profession in pursuit of gain including activities carried on by a person through officers, agents and employees as well as activities

carried on by a person on that person's own behalf.

(3) "Council" means the city council or other controlling body of a city.

(4) "Economic improvement" means:

(a) The planning or management of development or improvement activities.

(b) Landscaping or other maintenance of public areas.

(c) Promotion of commercial activity or public events.

(d) Activities in support of business recruitment and development.

(e) Improvements in parking systems or parking enforcement.

(f) Any other economic improvement activity for which an assessment may be made on property specially benefited thereby. [1991 c.698 §1]

223.144 Economic improvement district; business license ordinance. (1) A council, on its own motion or after receiving a petition for the formation of an economic improvement district signed by 33 percent or more of persons conducting business within the proposed district, may enact an ordinance establishing a procedure to be followed by the city in imposing a business license fee to raise revenue for the cost of an economic improvement. The business license fee authorized under this subsection may be in the form of a surcharge on an existing business license fee imposed by the city on any business, trade, occupation or profession carried on or practiced in the economic improvement district.

(2) In any ordinance adopted under subsection (1) of this section, a city shall not be authorized to:

(a) Include within an economic improvement district any area of the city that is not zoned for commercial or industrial use.

(b) Impose a business license fee to raise revenue for an economic improvement that does not primarily benefit persons conducting business within the economic improvement district. [1991 c.698 §2]

223.145 [Repealed by 1971 c.741 §38]

223.147 Requirements of business license ordinance. (1) An ordinance adopted under ORS 223.144, shall provide for enactment of a business license fee ordinance that:

(a) Describes the economic improvement project to be undertaken or constructed.

(b) Contains a preliminary estimate of the probable cost of the economic improvement.

(c) Describes the boundaries of the district in which property will be assessed.

(d) Specifies the number of years, to a maximum of five, in which business license fees for the economic improvement will be imposed.

(e) Contains provision for notices to be mailed or delivered personally to affected persons that announce the intention of the council to construct or undertake the economic improvement project and to impose a business license fee upon persons conducting business within the district for a part or all of the cost. The notice shall state the time and place of the public hearing required under paragraph (f) of this subsection.

(f) Provides for a hearing not sooner than 30 days after the mailing or delivery of notices to affected persons at which the persons may appear to support or object to the proposed improvement and business license fee.

(2) The ordinance shall also:

(a) Provide that if, after the hearing held under paragraph (f) of subsection (1) of this section, the council determines that the economic improvement shall be made, the council shall determine whether the businesses benefited shall bear all or a portion of the cost and shall determine, based on the actual or estimated cost of the economic improvement, the amount of the business license fee.

(b) Require notice of such proposed business license fee to be mailed or personally delivered to each person conducting business within the proposed economic improvement district, which notice shall state the amount of the business license fee. The notice shall state the time and place of a public hearing at which affected persons may appear to support or object to the proposed business license fee. The hearing shall not be held sooner than 30 days after the mailing or personal delivery of the notices.

(c) Provide that the council shall consider the objections of persons subject to the proposed business license fee and may adopt, correct, modify or revise the proposed business license fee.

(d) Provide that the business license fee will not be imposed and the economic improvement project terminated when written objections are received at the public hearing from more than 33 percent of persons conducting business within the economic improvement district who will be subject to the proposed business license fee. [1991 c.698 §3]

223.150 [Repealed by 1971 c.741 §38]

223.151 Advisory committee; functions. An ordinance adopted under ORS 223.144, may require creation, for each eco-

nomic improvement district, of an advisory committee to develop a plan and to allocate expenditure of moneys for economic improvement activities within the scope of ORS 223.141 to 223.161. If an advisory committee is created, the council shall appoint persons conducting business within the economic improvement district to the advisory committee. An existing association of persons conducting business within an economic improvement district may enter into an agreement with the city to provide the economic improvement. [1991 c.698 §4]

223.154 Extension of business licensing period. When the council considers it necessary to impose business license fees upon persons conducting business in an economic improvement district for longer than the period of time specified in the ordinance that created the district, the council shall enact an ordinance that provides for continued business license fees for a specified number of years and grants to persons conducting business in the district the notice and right of remonstrance described in ORS 223.147 (2)(b) to (d). [1991 c 698 §5]

223.155 [Repealed by 1971 c.741 §38]

223.157 Expenditure of business license revenues; liability for unauthorized expenditures. (1) A city council shall not expend any moneys derived from business license fees levied under ORS 223.141 to 223.161 for any purpose different from the purpose described in the ordinance adopted under ORS 223.144.

(2) Any public official who expends any moneys derived from business license fees levied under ORS 223.141 to 223.161 for any purpose different from the purpose described in an ordinance adopted under ORS 232.144 shall be civilly liable for the return of the moneys by suit of the district attorney of the county in which the city is located or by suit of any taxpayer of the city. [1991 c.698 §6]

223.160 [Repealed by 1971 c.741 §38]

223.161 Effect of urban renewal districts or local improvement districts. (1) The existence of local improvement districts or urban renewal districts in a city does not affect the creation of economic improvement districts under ORS 223.141 to 223.161.

(2) The authority granted to cities by ORS 223.141 to 223.161 is in addition to any other authority a city may have under state law, its charter or its ordinances to create or finance economic improvement districts. [1991 c.698 §7]

223.165 [Repealed by 1971 c.741 §38]

223.170 [Repealed by 1971 c.741 §38]

223.175 [Repealed by 1971 c 741 §38]

FINANCING LOCAL IMPROVEMENTS (BANCROFT BONDING ACT)

223.205 Scope and application; validation of bond issues by cities of 100,000 or more. (1) ORS 223.205 and 223.210 to 223.295 may be cited as the Bancroft Bonding Act.

(2) The provisions of the Bancroft Bonding Act are not mandatory. Any governmental body having charter provisions, or ordinance provisions authorized by charter, for bonding improvement assessments and selling bonds may follow those provisions or the provisions of the Bancroft Bonding Act, or the provisions of any other statute.

(3) All bonds issued prior to March 20, 1939, in accordance with the charter provisions of any city which, as of March 20, 1939, has or after that date attains a population of 100,000 or more inhabitants, according to the published federal census, and all action taken and proceedings adopted by a city prior to that date for issuing bonds in accordance with charter provisions are ratified, approved and confirmed. [Amended by 1957 c.103; §1; 1959 c.653 §1; 1965 c.282 §2; 1975 c.642 §1; 1991 c. 902 §7]

223.207 Purpose of ORS 223.208. The Legislative Assembly hereby declares that the purpose of ORS 223.208 and this section is to provide purchasers of homes or multifamily dwellings with Bancroft financing of systems development charges as an alternative to absorbing those charges into the long-term permanent financing of their homes. [1977 c.722 §2]

223.208 Systems development and connection charges of governmental units subject to Bancroft Act. (1) Subject to subsection (3) of this section, the rights and duties accorded governmental units and the owners of property for financing and assessments under ORS 223.205 to 223.775 shall apply to the following:

(a) A systems development charge designed to finance the construction, extension or enlargement of a street, community water supply, storm sewer or sewerage or disposal system as defined in ORS 199.464 imposed by a governmental unit as a condition to issuance of any occupancy permit or imposed by a governmental unit at such other time as, by ordinance, it may determine.

(b) That portion of a connection charge imposed by a governmental unit which is greater than the amount necessary to reimburse the unit for its costs of inspection and installing connections with system mains.

(2) Notwithstanding ORS 223.230, the financing of systems development or connection charges under this section may, at

the option of the governing body, be a second lien on real property, which lien shall be inferior only to the mortgage or other security interest held by the lender of the owner's purchase money. Bonds issued under this subsection shall be issued separately from bonds otherwise issued under ORS 223.205 to 223.775 and shall comply with all applicable federal regulations. [1977 c.722 §3; 1979 c.837 §1; 1983 c.349 §1; 1991 c.902 §8]

223.210 Right of property owners to apply for installment payment of assessment. (1) If the governing body of a governmental unit has proceeded to cause any local improvement to be constructed or made within the corporate limits of the unit, and has determined the final assessment for the local improvement against the property benefited thereby or liable therefor, according to applicable law, the governmental unit shall cause notice of the final assessment to be published. The notice shall identify the local improvement for which the assessment is to be made, each lot to be assessed and the final assessment for each lot. In addition, the notice shall state that the owner of any property to be assessed shall have the right to make application to the governmental unit for payment of the final assessment in installments as provided in this section. A copy of the notice shall be mailed or personally delivered to the owner of each lot to be assessed.

(2) The owner of any property to be so assessed, at any time within 10 days after notice of final assessment is first published, may file with the recorder a written application to pay:

(a) The whole of the final assessment in installments; or

(b) If part of the final assessment has been paid, the unpaid balance of the assessment in installments.

(3) At the option of the governmental unit, an installment application may be filed more than 10 days after notice of the final assessment is first published. [Amended by 1957 c.103 §2; 1957 c.397 §1; 1967 c.239 §1; 1991 c.902 §9]

223.212 Right of educational, religious, fraternal or charitable organizations and public corporations to bond the assessment. Any educational, religious, fraternal or charitable organization or public corporation owning property assessed for its proportionate share of the cost of constructing a local improvement shall have the same right to bond the final assessment therefor and having bonded the final assessment shall be subject to the same duties and liabilities as a natural person bonding an assessment. However, the limitations on the amount of an assessment that may be bonded do not apply to an educational, religious, fraternal or charitable organization or public corporation. The organization or public corporation shall be permitted to bond to the full extent of the assessment. [1957 c.95 §2; 1991 c.902 §10]

223.215 Contents of application to pay in installments; computation of installments. (1)(a) The installment application shall state that the applicant does thereby waive all irregularities or defects, jurisdictional or otherwise, in the proceedings to cause the local improvement for which the final assessment is levied and in the apportionment of the actual cost of the local improvement.

(b) The application shall provide that the applicant agrees to pay the final assessment over a period of not less than 10 years nor more than 30 years and according to such terms as the governing body of the governmental unit may provide. The governing body may provide that the owner of the assessed property may elect to have the final assessment payable over a period of less than 10 years and according to such terms as the governing body may provide.

(c) The application shall also provide that the applicant acknowledges and agrees to pay interest at the rate provided by the governing body of the governmental unit on all unpaid assessments, together with an amount, determined by the governing body, sufficient to pay a proportionate part of the cost of administering the bond assessment program and issuing the bonds authorized under ORS 223.235, including but not limited to legal, printing and consultant's fees.

(d) The application shall also contain a statement, by lots or blocks, or other convenient description, of the property of the applicant assessed for the improvement.

(2) In connection with the final assessments for any local improvement, the governing body of the governmental unit may establish a procedure by which an owner of any property to be assessed may irrevocably elect in writing to have the final assessment levied for a number of years less than 10, which shall be determined by the governing body. The written election shall:

(a) Be signed by the owner or a duly authorized representative of the owner;

(b) Contain a description of the assessed property and the local improvement for which the assessment is made; and

(c) Contain a statement by the owner acknowledging that the improvement is a local improvement as described under ORS 223.001 (9), that payment of the final assessment against the properties benefited by the local improvement plus interest may be spread

over at least 10 years and that, notwithstanding any provision of law, the owner consents to make payments over a period of less than 10 years and to have the assessment levied on the benefited property accordingly.

(3) The election under subsection (2) of this section shall be recorded in the bond lien docket for the local improvement to which the assessment relates. From and after the time at which the written election is so recorded, it shall be valid and binding upon all subsequent owners of the property or any part thereof. [Amended by 1957 c.103 §3; 1959 c.653 §2; 1969 c.531 §1; 1971 c.100 §1; 1975 c.320 §1; 1981 c.322 §1; 1985 c.656 §1; 1991 c.902 §11]

223.220 [Amended by 1957 c.103 §4; 1957 c.397 §2; 1975 c.642 §2; repealed by 1991 c.902 §121]

223.225 Record of application to be kept. The recorder of the governmental unit shall:

(1) Keep all applications filed under ORS 223.210 in convenient form for examination. The applications received for each local improvement shall be separate.

(2) Enter in a book kept for that purpose, under separate heads for each local improvement, the date of filing of each application, the name of the applicant, a description of the property and the amount of the final assessment, as shown in the application. [Amended by 1957 c.103 §5; 1991 c.902 §12]

223.230 Bond lien docket; interest; priority. (1) After expiration of the time for filing application under ORS 223.210, the recorder of the governmental unit shall enter in a docket kept for that purpose, under separate heads for each local improvement, by name or number, a description of each lot or parcel of land or other property against which the final assessment is made, or which bears or is chargeable for a portion of the actual cost of the local improvement, with the name of the owner and the amount of the unpaid final assessment. The entries shall be made as of the date of initial determination and levy of the final assessment.

(2) The docket shall stand thereafter as a lien docket as for ad valorem property taxes assessed and levied in favor of the governmental unit against each lot or parcel of land or other property, until paid, for the following:

(a) For the amounts of the unpaid final assessments therein docketed, with interest on the installments of the final assessments at the rate determined by the governing body of the governmental unit under ORS 223.215; and

(b) For any additional interest or penalties imposed by the governmental unit with respect to any installments of final assessments which are not paid when due.

(3) All unpaid final assessments together with accrued and unpaid interest and penalties are a lien on each lot or parcel of land or other property, respectively, in favor of the governmental unit, and the lien shall have priority over all other liens and encumbrances whatsoever. [Amended by 1957 c.103 §6; 1959 c.653 §3; 1969 c.531 §2; 1975 c.642 §2a; 1981 c.94 §10; 1981 c.322 §2; 1991 c.902 §13]

223.235 Issuance of bonds; limitations. (1) When in any governmental unit a bond lien docket is made up, as provided in ORS 223.230, as to the final assessments for any local improvement, the governmental unit shall by ordinance or resolution of the governing body authorize the issue of its bonds pursuant to the applicable provisions of ORS chapter 288 and in accordance with this section.

(2) The bonds authorized to be issued under this section shall be issued in an amount equal to the unpaid balance of all final assessments for the related local improvements including the amounts necessary to fund any debt service reserve and to pay any other financing costs associated with the bonds.

(3)(a) If the question of the issuance of the specific bonds has been approved by the electors of the governmental unit and the bonds are issued as general obligation bonds, the governmental unit shall each year assess, levy and collect a tax on all taxable property within its boundaries. The amount of the tax shall be sufficient to pay all principal of and interest on the bonds that are due and payable in that year and to replenish any debt service reserves required for the bonds. In computing the amount of taxes to impose, the governmental unit shall deduct from the total amount otherwise required the amount of final installment payments which are pledged to the payment of the bonds and which are due and payable in that year, and shall add to this net amount the amount of reasonably anticipated delinquencies in the payments of the installments or the taxes.

(b) The taxes shall be levied in each year and returned to the county officer whose duty it is to extend the tax roll within the time and in the manner provided in ORS 310.060.

(c) The taxes shall become payable at the same time and be collected by the same officer who collects county taxes and shall be turned over to the governmental unit according to law.

(d) The county officer whose duty it is to extend the county levy shall extend the levy of the governmental unit in the same manner

as city taxes are extended. Property shall be subject to sale for nonpayment of the taxes levied by a governmental unit in like manner and with like effect as in the case of county and state taxes.

(4) If the question of the issuance of the specific bonds has not been approved by the electors of the governmental unit and the bonds are issued as limited tax obligation bonds, the governmental unit may, subject only to the limitations of section 11b (1), Article XI of the Oregon Constitution, calculate, assess, levy and collect a tax on all taxable property within its boundaries in the manner provided in subsection (3) of this section. The amount of such tax shall be sufficient to pay all principal of and interest on such bonds which is due and payable in that year and to replenish any debt service reserves required for such bonds, provided that if such bonds are issued as limited tax obligation bonds the amount of such tax shall not exceed the amount permitted under section 11b (1), Article XI of the Oregon Constitution.

(5)(a) All bonds issued pursuant to this section, including general obligation bonds, shall be secured by and be payable from the installments of final assessments with respect to which the bonds were issued.

(b) In the ordinance or resolution authorizing the issuance of the bonds, the governing body of the issuing governmental unit may:

(A) Provide that installments of final assessments levied with respect to two or more local improvements shall secure a single issue of bonds.

(B) Reserve the right to pledge, as security for any bonds thereafter issued pursuant to this section, any installments of final assessments previously pledged as security for other bonds issued pursuant to this section.

(c) All bonds shall be secured by a lien on the installments of final assessments with respect to which they were issued. The lien shall be valid, binding and fully perfected from the date of issuance of the bonds. The installments of final assessments shall be immediately subject to the lien without the physical delivery thereof, the filing of any notice or any further act. The lien shall be valid, binding and fully perfected against all persons having claims of any kind against the governmental unit or the property assessed whether in tort, contract or otherwise, and irrespective of whether such persons have notice of the lien.

(6) As additional security for any bonds issued under this section, including general obligation bonds, the governing body of the issuing governmental unit may pledge or mortgage, or grant security interests in, its revenues, assets and properties, and otherwise secure and enter into covenant with respect to the bonds, as provided in ORS 288.155.

(7)(a) A governmental unit shall have the power, at any time and from time to time after the undertaking of a local improvement has been authorized, to borrow money and issue and sell notes for the purpose of providing interim financing for the actual costs of the local improvement.

(b) Notes authorized under this subsection may be issued in a single series for the purpose of providing interim financing for two or more local improvements.

(c) Notes authorized under this subsection shall mature not later than one year after the date upon which the issuing governmental unit expects to issue bonds for the purpose of providing permanent financing with respect to installment payments of the final assessments for the local improvements.

(d) Any notes authorized under this subsection may be refunded from time to time by the issuance of additional notes or out of the proceeds of bonds issued pursuant to this section. The notes may be made payable from the proceeds of any bonds to be issued under this section to provide permanent financing or from any other sources from which the bonds are payable.

(e) The governing body of the issuing governmental unit may pledge to the payment of the notes any revenues which may be pledged to the payment of bonds authorized to be issued under this section with respect to the local improvements for which the notes provide interim financing. [Amended by 1957 c.103 §7; 1959 c.653 §4; 1967 c.196 §1; 1975 c.320 §2; 1975 c.738 §1; 1983 c.349 §2; 1991 c.902 §14]

223.240 [Amended by 1959 c.653 §5; 1971 c.100 §2; 1975 c.320 §3; 1975 c.642 §3; repealed by 1991 c.902 §121]

223.245 Budget to include bond payments. The interest on the bonds and the amounts of the installments of maturing bonds shall be included in the annual budget of the issuing governmental unit. There shall be deducted in the budget the amount that the governing body conservatively estimates will be received from payments of the principal of and interest on installments of final assessments appertaining to the particular bond issue, and from receipts from sales and rentals of property acquired by the governmental unit pursuant to the assessments, during the fiscal year. [Amended by 1983 c.349 §3; 1991 c.902 §15]

223.250 [Amended by 1971 c.183 §1; 1975 c.642 §4; 1981 c.94 §11; 1983 c.349 §4; repealed by 1991 c.902 §121]

223.255 [Amended by 1957 c.103 §8; 1967 c.239 §2; 1983 c.349 §5; repealed by 1991 c.902 §121]

223.260 Sale of bonds; disposition of proceeds from bond sales. (1) The proceeds of any bonds or notes authorized to be issued under ORS 223.235 shall be paid by the purchaser to the treasurer of the issuing governmental unit. Accrued interest and any premium may be credited to any account designated by the issuing governmental unit. The balance of the proceeds shall be credited to the local improvement fund or funds for which the bonds or notes are issued.

(2) A governmental unit may create, within the Bancroft Bond Redemption Fund maintained by the governmental unit as required by ORS 223.285, separate accounts for separate issues of bonds or notes issued as provided in ORS 223.235, and may pledge any amounts deposited in the separate accounts to specific issues of bonds or notes without pledging the amounts to any other issues of such bonds or notes. [Amended by 1957 c.103 §9; 1975 c.642 §5; 1983 c.349 §6; 1991 c.902 §16]

223.262 Assessment contracts; transfer of contract rights by governmental unit; use of proceeds. (1) As used in ORS 223.205 and 223.210 to 223.295:

(a) "Assessment contract" means the obligation to pay final assessments in installments that arise when a property owner submits an application to pay assessments in installments under ORS 223.210 or a similar provision of a local charter.

(b) "Assessment contract rights" includes the right to receive installment payments of final assessments, with interest, made under an assessment contract, and the right to enforce the lien of the final assessment.

(2) Any governmental unit that receives or expects to receive assessment contracts may:

(a) Sell or assign to third parties all or any portion of its assessment contract rights.

(b) Create corporations or other business entities to factor assessment contract rights.

(c) Create grantor trusts and transfer to the trusts assessment contract rights.

(d) Contract to service assessment contracts and assessment liens for the owners of assessment contract rights, or contract with third parties to service assessment contracts and assessment liens for the owners of assessment contract rights.

(e) Serve as a trustee for the owners of assessment contract rights.

(f) Enter into contracts necessary to carry out the provisions of this section.

(3) Any trust created under this section may fractionalize and sell assessment contract rights.

(4) Assessment contract rights, any interests therein and any interests in trusts secured primarily by assessment contract rights shall be exempt from registration under ORS 59.055.

(5) If assessment contract rights that secure outstanding obligations of a governmental unit are sold or assigned under this section, an amount shall be placed irrevocably in escrow that is calculated to be sufficient to pay all principal and interest on the outstanding obligations as they mature or are irrevocably called for prior redemption, in accordance with ORS 288.677. Any sale proceeds not required to fund the escrow may be placed in the general fund of the governmental unit. If only a portion of the contract rights securing outstanding obligations is sold, then the amount of outstanding obligations that must be defeased pursuant to this subsection shall be that proportion of the principal amount of the outstanding obligations that the principal amount of the contract rights that are sold represents to the total principal amount of the contract rights that secure the outstanding obligations. [1989 c.603 §2; 1991 c.902 §17]

223.265 Payment of installments; due dates. (1) The installments due and payable under an assessment contract shall be due and payable periodically as the governing body of the governmental unit shall determine but shall not be due and payable over a term in excess of 30 years. Each installment is due and payable with interest as described under subsection (3) of this section.

(2) The installments and interest are payable to the treasurer by the property owner whose application to pay the cost of the local improvement by installments has been filed as provided in ORS 223.210.

(3) The amount of each installment (percentage of the total final assessment) shall be determined by the governing body of the governmental unit and shall be as appears by the bond lien docket described in ORS 223.230. Each installment shall be due and payable with the accrued and unpaid interest on the unpaid balance of the final assessment amount at the rate per annum determined by the governing body of the governmental unit under ORS 223.215.

(4) The first payment shall be due and payable on the date that the governing body shall determine, and subsequent payments shall be due and payable on subsequent periodic dates thereafter as shall have been determined by the governing body. [Amended by 1957 c.103 §10; 1959 c.653 §6; 1969 c.531 §3; 1971 c.100 §3; 1975 c.320 §4; 1981 c.322 §4; 1991 c.902 §18]

223.270 Procedure for collection on default. (1) If the owner neglects or refuses

to pay installments under ORS 223.265 as they become due and payable for a period of one year, then the governing body of the governmental unit may, by reason of the neglect or refusal to pay the installments, and while the neglect and refusal to pay continues, pass a resolution:

(a) Giving the name of the owner then in default in the payment of the sums due;

(b) Stating the sums due, either principal or interest and any unpaid late payment penalties or charges;

(c) Containing a description of the property upon which the sums are owing; and

(d) Declaring the whole sum, both principal and interest, due and payable at once.

(2) The governing body may then proceed at once to collect all unpaid installments and to enforce collection thereof, with all unpaid late payment penalties and charges added thereto, in the same manner in which delinquent property taxes are collected under applicable law or, in the case of a city, in the same manner as street and sewer assessments are collected pursuant to the terms of the city charter. [Amended by 1991 c.902 §19]

223.275 Notice to pay; receipts and entries on lien docket. The recorder of a governmental unit shall, when installments and interest on any final assessment in the bond lien docket are due, make the proper extensions of the installments and interest on the bond lien docket and turn the same over to the treasurer of the governmental unit. The treasurer then shall notify the property owner that the installments are due and payable, but a failure of any owner to receive the notice shall not prevent collection of the installment as provided in ORS 223.270. The treasurer shall issue a receipt to the person paying the installments and interest, and shall file duplicates of the receipts with the recorder. When the treasurer returns the bond lien docket, the recorder shall make the proper entries on the bond lien docket showing the amount of each payment and the date of the payment. [Amended by 1991 c.902 §20]

223.280 Right of owner to prepay balance and discharge lien. At any time after issuance of bonds under ORS 223.235, any owner of a lot against which the final assessment is made and lien docketed may pay into the treasury of the issuing governmental unit the whole amount of the final assessment for which the lien is docketed, together with the full amount of interest and late payment penalties and charges accrued thereon to the date of payment. Upon producing to the recorder of the governmental unit the receipt of the treasurer, the recorder shall enter in the lien docket opposite the entry of the lien the fact and date of the payment and that the lien is discharged. [Amended by 1991 c.902 §21]

223.285 Separate funds kept for moneys received; investments authorized. Any treasurer receiving any payments of final assessments or interest on unpaid installments by virtue of the Bancroft Bonding Act, shall account for the payments separately from other funds of the governmental unit. The amount of the moneys paid on account of installments, interest on unpaid installments and late payment penalties or charges, shall be placed to the credit of a fund to be known and designated as "Bancroft Bond Redemption Fund" or in any designated account of the redemption fund which may be established by the governmental unit under this section. All interest and principal due on bonds issued under ORS 223.235 shall be paid from the redemption fund or from a designated account of the redemption fund. The amount placed to the credit of the redemption fund or any account of the fund shall from time to time, under the direction of the governing body of the issuing governmental unit, be invested as provided in ORS 294.035 or 294.805 to 294.895. [Amended by 1975 c.495 §1; 1991 c.902 §22]

223.290 Payments entered on lien docket; lien discharge. Entries of payments of installments, interest and late payment penalties or charges, made under the Bancroft Bonding Act, shall be made in the lien docket as they are received, with the date of payment. The payments so made and entered shall discharge the lien to the amount of the payment and from the date of the payment. [Amended by 1991 c.902 §23]

223.295 Limit on city indebtedness. (1) A city may incur indebtedness in the form of general obligation bonds and general obligation interim financing notes pursuant to ORS 223.235 to an amount which shall not exceed .03 of the latest real market valuation of the city.

(2) The general obligation bonds and general obligation interim financing notes issued pursuant to ORS 223.235 shall be determined by deducting from the sum total of outstanding general obligation bonds and general obligation interim financing notes issued pursuant to ORS 223.235, the aggregate of sinking funds or other funds applicable to the payment thereof, less the aggregate of overdrafts, if any, in the related improvement bond interest fund. [Amended by 1955 c.28 §1; 1955 c.686 §1; 1959 c.653 §7; 1963 c.545 §2; 1965 c.282 §3; 1985 c.441 §1; 1991 c.459 §351; 1991 c.902 §24]

SYSTEM DEVELOPMENT CHARGES

223.297 Policy. The purpose of ORS 223.297 to 223.314 is to provide a uniform framework for the imposition of system development charges by governmental units for specified purposes and to establish that the charges may be used only for capital improvements. [1989 c.449 §1; 1991 c.902 §25]

Note: 223.297 to 223.314 were added to and made a part of 223.205 to 223.295 by legislative action, but were not added to and made a part of the Bancroft Bonding Act. See section 10, chapter 449, Oregon Laws 1989.

223.299 Definitions for ORS 223.297 to 223.314. As used in ORS 223.297 to 223.314:

(1)(a) "Capital improvement" means facilities or assets used for the following:

(A) Water supply, treatment and distribution;

(B) Waste water collection, transmission, treatment and disposal;

(C) Drainage and flood control;

(D) Transportation; or

(E) Parks and recreation.

(b) "Capital improvement" does not include costs of the operation or routine maintenance of capital improvements.

(2) "Improvement fee" means a fee for costs associated with capital improvements to be constructed.

(3) "Reimbursement fee" means a fee for costs associated with capital improvements already constructed or under construction.

(4)(a) "System development charge" means a reimbursement fee, an improvement fee or a combination thereof assessed or collected at the time of increased usage of a capital improvement or issuance of a development permit, building permit or connection to the capital improvement. System development charge includes that portion of a sewer or water system connection charge that is greater than the amount necessary to reimburse the governmental unit for its average cost of inspecting and installing connections with water and sewer facilities.

(b) "System development charge" does not include any fees assessed or collected as part of a local improvement district or a charge in lieu of a local improvement district assessment, or the cost of complying with requirements or conditions imposed upon a land use decision or limited land use decision. [1989 c.449 §2; 1991 c.817 §29; 1991 c.902 §26]

Note: See note under 223.297.

223.300 [Repealed by 1975 c.642 §26]

223.302 System development charges; use of revenues; review procedures. (1) Governmental units are authorized to establish system development charges, but the revenues produced therefrom shall be expended only in accordance with ORS 223.297 to 223.314. If a governmental unit expends any such revenues in violation of the limitations described in ORS 223.307, the governmental unit shall replace the misspent amount with moneys derived from other sources. Replacement moneys shall be deposited in a fund designated for the system development charge revenues not later than one year following a determination that the funds were misspent.

(2) Governmental units shall adopt administrative review procedures by which any citizen or other interested person may challenge an expenditure of system development charge revenues. Such procedures shall provide that such a challenge must be filed within two years of the expenditure of the system development charge revenues. The decision of the governmental unit shall be reviewed only as provided in ORS 34.010 to 34.100, and not otherwise. [1989 c.449 §3; 1991 c.902 §27]

Note: See note under 223.297.

223.304 Determination of amount of system development charges; ordinance; credit allowed against charge; limitation of action contesting ordinance imposing charge. (1) Reimbursement fees shall be established by ordinance or resolution setting forth a methodology that considers the cost of the existing facility or facilities, prior contributions by existing users, the value of unused capacity, rate-making principles employed to finance publicly owned capital improvements and other relevant factors identified by the local government imposing the fee. The methodology shall promote the objective of future system users contributing no more than an equitable share to the cost of existing facilities. The methodology for establishing such fees shall be available for public inspection.

(2) Improvement fees shall be established by ordinance or resolution setting forth a methodology that considers the cost of projected capital improvements needed to increase the capacity of the systems to which the fee is related. The methodology for establishing such fees shall be available for public inspection.

(3) The ordinance or resolution that establishes an improvement fee shall also provide for a credit against such fee for the construction of a qualified public improvement. A "qualified public improvement" means one that is:

(a) Required as a condition of residential development approval;

(b) Identified in the plan adopted pursuant to ORS 223.309; and

(c) Not located on or contiguous to property that is the subject of residential development approval.

(4) If a qualified public improvement is partially located on and partially located off property that is the subject of the residential development approval, the credit shall be only for the cost of the portion of the improvement not located on or wholly contiguous to the property. The credit provided for by subsection (3) of this section shall be only for the improvement fee charged for the type of improvement being constructed and shall not exceed such improvement fee even if the cost of the capital improvement exceeds the applicable improvement fee. This subsection shall not prohibit a unit of government from providing a greater credit, or from providing a credit for a capital improvement not identified in the plan adopted pursuant to ORS 223.309, or from providing a share of the cost of such improvement by other means, if a unit of government so chooses.

(5) No legal action intended to contest the methodology used for calculating a system development charge shall be filed after 60 days following adoption or modification of the system development charge ordinance or resolution by the local government. [1989 c.449 §4; 1991 c.902 §28]

Note: See note under 223.297.

223.305 [Repealed by 1971 c.325 §1]

223.307 Authorized expenditure of system development charges. (1) Reimbursement fees shall be spent only on capital improvements associated with the systems for which the fees are assessed including expenditures relating to repayment of indebtedness.

(2) Improvement fees shall be spent only on capacity increasing capital improvements, including expenditures relating to repayment of debt for such improvements. An increase in system capacity may be established if a capital improvement increases the level of performance or service provided by existing facilities or provides new facilities. The portion of such improvements funded by improvement fees must be related to current or projected development.

(3) System development charges shall not be expended for costs associated with the construction of administrative office facilities that are more than an incidental part of other capital improvements.

(4) Any capital improvement being funded wholly or in part with system development charge revenues shall be included in the plan adopted by a governmental unit pursuant to ORS 223.309.

(5) Notwithstanding subsections (1) and (2) of this section, system development charge revenues may be expended on the direct costs of complying with the provisions of ORS 223.297 to 223.314, including the costs of developing system development charge methodologies and providing an annual accounting of system development charge expenditures. [1989 c.449 §5; 1991 c.902 §29]

Note: See note under 223.297.

223.309 Preparation of plan for capital improvements financed by system development charges. (1) Any governmental unit which has adopted a system development charge by ordinance or resolution shall prepare a capital improvement plan, public facilities plan, master plan or comparable plan which lists the capital improvements that may be funded with improvement fee revenues and the estimated cost and timing for each improvement.

(2) A governmental unit that has prepared a plan described in subsection (1) of this section may modify such plan at any time. [1989 c.449 §6; 1991 c.902 §30]

Note: See note under 223.297.

223.310 [Amended by 1957 c.397 §3; repealed by 1971 c.325 §1]

223.311 Deposit of system development charge revenues; annual accounting. System development charge revenues shall be deposited in accounts designated for such moneys. The governmental unit shall provide an annual accounting for system development charges showing the total amount of system development charge revenues collected for each system and the projects that were funded. [1989 c.449 §7; 1991 c.902 §31]

Note: See note under 223.297.

223.312 [1957 c.95 §4; repealed by 1971 c.325 §1]

223.313 Application of ORS 223.297 to 223.314. (1) ORS 223.297 to 223.314 shall apply only to system development charges in effect on or after July 1, 1991.

(2) The provisions of ORS 223.297 to 223.314 shall not be applicable if they are construed to impair bond obligations for which system development charges have been pledged or to impair the ability of governmental units to issue new bonds or other financing as provided by law for improvements allowed under ORS 223.297 to 223.314. [1989 c.449 §8; 1991 c.902 §32]

Note: See note under 223.297.

223.314 Adoption of system development charge not a land use decision. The adoption of a system development charge, or a plan as provided for in ORS 223.309, or any modification thereto, is not a land use decision pursuant to ORS chapter 197. [1989 c.449 §9]

Note: See note under 223.297.

223.315 [Repealed by 1971 c.325 §1]

APPORTIONMENT OF GOVERNMENT ASSESSMENTS UPON PARTITION

223.317 Apportionment of special assessment among parcels in subsequent partition of tract. (1) Notwithstanding any other law, a governmental unit may apportion a final assessment levied by it against a single tract or parcel of real property among all the parcels formed from a subsequent partition or other division of that tract or parcel, if the subsequent partition or division is in accordance with ORS 92.010 to 92.190 and is consistent with all applicable comprehensive plans as acknowledged by the Land Conservation and Development Commission under ORS 197.251. The proportionate distribution of a final assessment authorized under this subsection may be made whenever the final assessment remains wholly or partially unpaid, and full payment or an installment payment is not due.

(2) A governmental unit shall apportion a final assessment under this section when requested to do so by any owner, mortgagee or lienholder of a parcel of real property that was formed from the partition or other division of the larger tract of real property against which the final assessment was originally levied. When the deed, mortgage or other instrument evidencing the applicant's ownership or other interest in the parcel has not been recorded by the county clerk of the county in which the parcel is situated, the governmental unit shall not apportion the final assessment unless the applicant files a true copy of that deed, mortgage or instrument with the governmental unit.

(3) Apportionment of a final assessment under this section shall be done in accordance with an order or resolution of the governing body of the governmental unit. The order or resolution shall describe each parcel of real property affected by the apportionment, the amount of the final assessment levied against each parcel, the owner of each parcel and such additional information as is required to keep a permanent and complete record of the final assessments and the payments thereon. A copy of the order or resolution shall be filed with the recorder required to maintain the lien docket for the governmental unit, who shall make any necessary changes or entries in the lien docket for the governmental unit. [Formerly 308.140; 1991 c.902 §33]

Note: 223.317 to 223.327 were enacted into law by the Legislative Assembly but were not added to or made a part of ORS chapter 223 or any series therein by legislative action. See Preface to Oregon Revised Statutes for further explanation.

223.320 [Amended by 1957 c 397 §4; repealed by 1971 c 325 §1]

223.322 Prorate of unpaid installments. When a final assessment is being paid in installments under the Bancroft Bonding Act or ORS 268.485, 450.155, 450.897 or 451.530, if the final assessment is apportioned among smaller parcels of real property under ORS 223.317 to 223.327, the installments remaining unpaid shall be prorated among those smaller parcels so that each parcel shall be charged with that percentage of the remaining installment payments equal to the percentage of the unpaid final assessment charged to the parcel upon apportionment. [Formerly 308.145; 1991 c.902 §34]

Note: See note under 223.317.

223.325 [Repealed by 1971 c.325 §1]

223.327 Procedure for equitable apportionment by ordinance or regulation. A governmental unit which imposes final assessments shall adopt an ordinance or other regulations establishing procedures for the equitable apportionment of final assessments under ORS 223.317 to 223.327. The ordinance or regulations shall authorize the governmental unit to establish fees reasonably calculated to reimburse it for its actual costs in apportioning final assessments under ORS 223.317 to 223.327. The provisions of ORS 223.317 to 223.327 relating to apportionment of final assessments shall apply to estimated assessments with respect to any tract or parcel divided into smaller parcels prior to the levy of the final assessment. [Formerly 308.150; 1991 c.902 §35]

Note: See note under 223.317.

223.330 [Amended by 1969 c.531 §4; repealed by 1971 c.325 §1]

223.335 [Repealed by 1971 c.325 §1]

223.340 [Repealed by 1971 c.325 §1]

223.345 [Repealed by 1971 c.325 §1]

223.350 [Repealed by 1971 c.325 §1]

223.355 [Amended by 1969 c.531 §5; repealed by 1971 c.325 §1]

223.360 [Repealed by 1971 c.325 §1]

223.365 [Repealed by 1971 c.325 §1]

223.370 [Repealed by 1971 c.325 §1]

223.375 [Repealed by 1971 c.325 §1]

223.380 [Repealed by 1971 c.325 §1]

223.385 [Repealed by 1971 c.325 §1]

ASSESSMENTS FOR LOCAL IMPROVEMENTS

223.387 Description of real property; effect of error in name of owner. In levying, collecting and enforcing assessments for local improvement, the following shall apply:

(1) Real property may be described by giving the subdivision according to the United States survey when coincident with the boundaries thereof, or by lots, blocks and addition names, or by giving the boundaries thereof by metes and bounds, or by reference

to the book and page of any public record of the county where the description may be found, or by designation of tax lot number referring to a record kept by the assessor of descriptions of real properties of the county, which record shall constitute a public record, or in any other manner as to cause the description to be capable of being made certain. Initial letters, abbreviations, figures, fractions and exponents, to designate the township, range, section, or part of a section, or the number of any lot or block or part thereof, or any distance, course, bearing or direction, may be employed in any description of real property.

(2) If the owner of any land is unknown, the land may be assessed to "unknown owner," or "unknown owners." If the property is correctly described, no final assessment shall be invalidated by a mistake in the name of the owner of the real property assessed or by the omission of the name of the owner or the entry of a name other than that of the true owner. Where the name of the true owner, or the owner of record, of any parcel of real property is given, the final assessment shall not be held invalid on account of any error or irregularity in the description if the description would be sufficient in a deed of conveyance from the owner, or is such that, in a suit to enforce a contract to convey, employing such description a court of equity would hold it to be good and sufficient.

(3) Any description of real property which conforms substantially to the requirements of this section shall be a sufficient description in all proceedings of assessment relating or leading to a final assessment for a local improvement, foreclosure and sale of delinquent assessments, and in any other proceeding related to or connected with levying, collecting and enforcing final assessments for special benefits to the property. [1959 c.219 §1; 1965 c.282 §4; 1971 c.198 §1; 1991 c.902 §36]

223.389 Procedure in making local assessments for local improvements. (1) The governing body of a governmental unit may prescribe by ordinance or resolution the procedure to be followed in making estimated assessments and final assessments for benefits from a local improvement upon the lots which have been benefited by all or part of the local improvement, to the extent that the charter of the governmental unit does not prescribe the method of procedure. In addition, in any case where the charter of a governmental unit specifies a method of procedure that does not comply or is not consistent with the requirements of the Oregon Constitution, the governing body of the governmental unit may prescribe by ordinance or resolution the procedure which shall comply and be consistent with the requirements of the Oregon Constitution, and the provisions of the ordinance or resolution shall apply in lieu of the charter provisions.

(2)(a) The ordinance or resolution prescribing the procedure shall provide for adoption or enactment of an ordinance or resolution designating the local improvement as to which an assessment is contemplated, describing the boundaries of the district to be assessed. Provision shall be made for at least 10 days' notice to owners of property within the proposed district in which the local improvement is contemplated. The notice may be made by posting, by newspaper publication or by mail, or by any combination of such methods. The notice shall specify the time and place where the governing body will hear and consider objections or remonstrances to the proposed local improvement by any parties aggrieved thereby.

(b) If the governing body determines that the local improvement shall be made, when the estimated cost thereof is ascertained on the basis of the contract award or the departmental cost of the governmental unit, the governing body shall determine whether the property benefited shall bear all or a portion of the cost. The recorder or other person designated by the governing body shall prepare the estimated assessment to the respective lots within the assessment district and file it in the appropriate office of the governmental unit. Notice of the estimated assessment shall be mailed or personally delivered to the owner of each lot proposed to be assessed. The notice shall state the amounts of the estimated assessment proposed on that property and shall fix a date by which time objections shall be filed with the recorder. Any objection shall state the grounds for the objection. The governing body shall consider the objections and grounds and may adopt, correct, modify or revise the estimated assessments.

(c) The governing body shall determine the amount of estimated assessment to be charged against each lot within the district, according to the special and peculiar benefits accruing to the lot from the local improvement, and shall by ordinance or resolution spread the estimated assessments. [1959 c.219 §2; 1991 c.902 §37]

223.391 Notice of proposed assessment to owner of affected lot. If a notice is required to be sent to the owner of a lot affected by a proposed assessment, the notice shall be addressed to the owner or the owner's agent. If the address of the owner or of the owner's agent is unknown to the recorder, the recorder shall mail the notice addressed to the owner or the owner's agent

at the address where the property is located. Any mistake, error, omission or failure with respect to the mailing shall not be jurisdictional or invalidate the assessment proceedings, but there shall be no foreclosure or legal action to collect until notice has been given by personal service upon the property owner, or, if personal service cannot be had, then by publication once a week for two successive weeks in a newspaper designated by the governing body and having general circulation in the governmental unit where the property is located. [1959 c.219 §3; 1991 c.902 §38]

223.393 Assessments become liens. Estimated and final assessments shall become a lien upon the property assessed from and after the passage of the ordinance or resolution spreading the same and entry in appropriate lien record of the governmental unit. The estimated assessment lien shall continue until the time the estimated assessment becomes a final assessment. The governmental unit may enforce collection of such assessments as provided by ORS 223.505 to 223.650. [1959 c.219 §4; 1991 c.902 §39]

223.395 Deficit assessments or refunds when initial assessment based on estimated cost. If the initial assessment has been made on the basis of estimated cost, and upon the completion of the work the cost is found to be greater than the estimated cost, the governing body may make a deficit assessment for the additional cost. Proposed assessments upon the respective lots within the assessment district for the proportionate share of the deficit shall be made; and notices shall be sent; opportunity for objections shall be given; such objections shall be considered; and determination of the assessment against each particular lot, block or parcel of land shall be made as in the case of the initial assessment; and the deficit assessment spread by ordinance. If assessments have been made on the basis of estimated cost, and upon completion the cost is found to be less than the estimated cost, provision shall be made for refund of the excess or overplus. [1959 c.219 §5; 1991 c.902 §40]

223.397 [1959 c.219 §§6, 7; repealed by 1963 c.507 §1]

223.399 Powers of governmental unit concerning assessments for local improvements. The governing body of a governmental unit may impose additional procedural requirements. The procedural provisions of ORS 223.387 to 223.399 shall apply only where the charter or an ordinance of a governmental unit does not specify otherwise and the charter or ordinance provisions comply and are consistent with the requirements of the Oregon Constitution. The charter or ordinance provisions shall apply to local improvements permitted by law. No governmental unit shall authorize a local improvement prohibited by percentage of remonstrance or otherwise under the charter of the governmental unit. [1959 c.219 §8; 1965 c.133 §1; 1991 c.902 §41]

223.401 Review of assessment. Notwithstanding any of the provisions of ORS 223.387 to 223.399, owners of any property against which an assessment for local improvements has been imposed may seek a review thereof under the provisions of ORS 34.010 to 34.100. [1965 c.133 §2]

REASSESSMENT

223.405 Definitions for ORS 223.405 to 223.485. As used in ORS 223.405 to 223.485, unless the context requires otherwise, "objection" includes remonstrances. [Amended by 1965 c.282 §5; 1991 c.902 §42]

223.410 Authority of governing body to make reassessment. Whenever all or part of any estimated or final assessment for local improvements was or is declared void or set aside for any reason or its enforcement refused by any court by reason of jurisdictional or other defects in procedure, whether directly or by virtue of any court decision or when the governing body is in doubt as to the validity of all or part of any estimated or final assessment by reason of such defects in procedure, the governing body may by ordinance or resolution make a new estimated or final assessment or reassessment with respect to all or part of the original estimated or final assessment upon the lots which have been benefited by all or part of the local improvement to the extent of their respective and proportionate shares of the full value of such benefit. [Amended by 1991 c.902 §43]

223.415 Basis for, amount and method of reassessment. The reassessment shall be based upon the special and peculiar benefit of the local improvement to the respective lots at the time of the original making of the local improvement. The amount of the reassessment shall not be limited to the amount of the original estimated or final assessment. In the case of a reassessment of a final assessment:

(1) The property embraced in the reassessment shall be limited to property embraced in the original final assessment;

(2) Property on which the original final assessment was paid in full shall not be included in the reassessment; and

(3) Interest from the date of delinquency of the original final assessment may be added by the governing body to the reassessment in cases where the property was included in the original final assessment, but such interest shall not apply to any portion of the reas-

sessment that exceeds the amount of the original final assessment. The reassessment shall be made in an equitable manner as nearly as may be in accordance with the law in force at the time the local improvement was made, but the governing body may adopt a different plan of apportioning benefits or exclude portions of the district when in its judgment it is essential to secure an equitable assessment. Credit shall be allowed on the new assessment for all payments made on the original final assessment. [Amended by 1991 c.902 §44]

223.420 Effect of reassessment; exceptions. The reassessment when made shall become a charge upon the property upon which it is laid notwithstanding the omission, failure or neglect of any officer, body or person to comply with the provisions of the charter or law connected with or relating to the local improvement and original estimated or final assessment or any previous reassessment, and although the proceedings of the governing body or the acts of any officer, contractor or other person connected with the local improvement or assessment may have been irregular or defective, whether such irregularity or defect was jurisdictional or otherwise. The reassessment shall not be made in case of any local improvement wherein a remonstrance sufficient in law to defeat it has been duly filed prior to the making of the local improvement. [Amended by 1991 c.902 §45]

223.425 Resolution to reassess. The proceedings required by the charter or other law for making of the original estimated or final assessment are not required with reference to the making of a reassessment. The reassessment shall be initiated by adoption of a resolution designating the improvement as to which a reassessment is contemplated, describing the boundaries of the district that the governing body contemplates for the reassessment and directing the recorder or other person to prepare a proposed reassessment upon the property included within the district. After passage of such resolution, the recorder or other person shall prepare the proposed reassessment and file it in the office of the recorder. [Amended by 1991 c.902 §46]

223.430 Publication of notice of reassessment; contents. After the proposed reassessment is filed in the office of the recorder, the recorder shall give notice thereof by not less than four successive publications in a newspaper published in the city in which the principal offices of the governmental unit are located and, if there is no newspaper published in the city, in a newspaper to be designated by the governing body. The notice shall show that the proposed reassessment is on file in the office of the recorder, giving the date of the passage of the resolution authorizing it, the boundaries of the district or a statement of the property affected by the proposed reassessment, and specifying the time and place where the governing body will hear and consider objections to the proposed reassessment by any parties aggrieved thereby. [Amended by 1991 c.902 §47]

223.435 Personal notice to each owner; right to file objections. The recorder shall, within five days after the date of first publication of the notice, mail or personally deliver to the owner of each lot affected by the proposed reassessment, or to the agent of such owner, a notice of the proposed reassessment, stating the matters set out in the printed notice and also the amount proposed to be charged against the lot. If the address of the owner or of the owner's agent is unknown to the recorder, the recorder shall mail the notice addressed to the owner or owner's agent at the address where such property is located. Any mistake, error, omission or failure with respect to such mailing shall not be jurisdictional or invalidate the reassessment proceedings. The owners of any property included in the description of the printed notice, or any person having an interest in that property, may, within 10 days from the day of last insertion of the printed notice, file in writing with the recorder objections against the proposed reassessment. [Amended by 1991 c.902 §48]

223.440 Hearing on objections; revision of reassessment. At the time and place appointed in the notice the governing body shall hear and determine all objections filed under ORS 223.435. The governing body may adjourn the hearing from time to time, and correct, modify or revise the proposed reassessment or set it aside and order the making of a new proposed reassessment. However, if the proposed reassessment is corrected or revised so as to increase the amount proposed to be charged against any property, such reassessment shall not be made until after a new notice has been given as stated in ORS 233.435 to the owners of property against which the amount of assessment is proposed to be thus increased. The publication of the notice may be for not less than two successive insertions in a newspaper as provided in ORS 223.430, and the time when action may be taken thereon may be not less than five days after the date of last insertion. If the proposed reassessment is set aside and a new apportionment ordered, notice shall be given of the new apportionment in the manner stated in ORS 223.430 and 223.435 and action taken thereon as provided in ORS 223.435 and 223.440. [Amended by 1991 c.902 §49]

23.445 Reassessment ordinance or ution. When the governing body has mined what in its judgment is a fair, and reasonable reassessment, it shall ın ordinance or resolution setting out ıaking the reassessment. The reassess- so made shall be deemed to be regular, .ct, valid and just, except as it may be fied under ORS 223.450 and 223.455. ɜnded by 1991 c.902 §50]

223.450 Lien docket entry; crediting ior payments. When the reassessment is ıy made it shall be entered in the lien ·ket of the governmental unit. All pro- ıions for bonding and paying by install- ıents shall be applicable, and such liens of e governmental unit shall be enforced and 'lected in the manner provided for col- tion of liens for an original local im- ıvement. All sums paid upon the former .al assessment or any previous reassess- nt shall be credited to the property on ount of which it was paid and as of the .e of payment. [Amended by 1991 c.902 §51]

223.455 Right of purchaser at sale un- ɜr prior assessment. In cases where a sale as made under the original final assessment any previous reassessment, with reference such local improvement, and the property ıs not redeemed from the sale, the pur- aser at the sale is subrogated to the rights the governmental unit with reference to ıe property upon such reassessment if the :chaser waives all penalties and interest, .ept such interest as may be provided for the reassessment, and delivers up for ncellation any certificate or other evidence the sale. If a deed was issued at the sale, e grantee therein, or the heirs, executors, lministrators, successors or assigns of the ·antee, shall execute a deed of release and ıuitclaim of all right, title and interest in the property under such sale to the owner of the property and deliver the deed to the recorder, so that the owner's title may be cleared of the sale. The recorder shall act as escrow holder of such certificate or other evidence of sale and of such deed pending completion of reassessment. If the reassessment is not completed, the recorder shall return the certificate or other evidence of sale and the deed to the person delivering it to the recorder. If the reassessment is completed, the certificate or other evidence of sale shall be canceled and placed on file in the office of the recorder and the deed shall be delivered to the owner of the property specified therein. If any such purchaser, or the heirs, executors, administrators, successors or assigns of such purchaser fails to comply with this section, that person is not entitled to subrogation. In any event, the amount of subrogation shall not exceed the amount which has been paid to the governmental unit on such sale, together with interest at the rate of six percent per annum from the date of sale until the date of payment. This amount is to be paid by the governmental unit to the purchaser, or the heirs, executors, administrators, successors or assigns of the purchaser if and when the governmental unit collects the amount of the reassessment against the property. [Amended by 1991 c.902 §52]

223.460 [Repealed by 1965 c.71 §1]

223.462 Review of reassessment. Notwithstanding any of the provisions of ORS 223.405 to 223.485, owners of any property against which a reassessment for local improvements has been imposed may seek a review thereof under the provisions of ORS 34.010 to 34.100. [1965 c.71 §4]

223.465 [Repealed by 1965 c.71 §1]

223.470 [Repealed by 1965 c.71 §1]

223.475 [Repealed by 1965 c.71 §1]

223.480 [Repealed by 1965 c.71 §1]

223.485 Additional reassessment procedure; time limitation. (1) The authority granted in ORS 223.405 to 223.455 shall not apply in any governmental unit where the method of reassessment is provided by ordinance or charter.

(2) No proceedings for making a reassessment shall be instituted after 20 years from the date when the first assessment was entered on the lien docket. [Amended by 1965 c.71 §3; 1991 c.902 §53]

METHODS OF ENFORCING LIENS AND COLLECTING ASSESSMENTS

223.505 Definitions for ORS 223.510 to 223.595. As used in ORS 223.505 to 223.595, unless the context requires otherwise, "treasurer" means the officer designated by charter or ordinance of the governmental unit to collect unpaid liens or assessments, take all steps necessary to enforce delinquent liens or assessments and to maintain records pertaining to collection proceedings thereon. [Amended by 1991 c.902 §54]

223.510 Authority to sell property for delinquent liens and assessments. In addition to the method provided by law, ordinance or the charter of any governmental unit for the sale of real property for delinquent liens or final assessments, every governmental unit may cause the real property to be sold as provided in ORS 223.510 to 223.590 for any final assessment, lien or installment thereof at any time after one year from the date such lien, final assessment or installment becomes due and payable, if bonded; otherwise, at any time after 60 days from the time it is entered in the lien docket

of the governmental unit. [Amended by 1991 c.902 §55]

223.515 Preparation, transmission and contents of delinquent list. If any installment on any lien bonded, as provided by law, ordinances or charter of the governmental unit, is delinquent for a period of one year from the time it became due and payable, or at any time after 60 days from the time it became due and payable if not bonded, the recorder may thereafter prepare and transmit to the treasurer a list in tabular form, made up from the lien docket, describing each lien, assessment or installment due on any bonded lien which is so delinquent. The list shall also contain the name of the person to whom assessed, a particular description of the property, the amount of the lien or final assessment or the amount of the installment due on any bonded lien, and any other facts necessary to be given. [Amended by 1991 c.902 §56]

223.520 Procedure in collecting delinquencies. Upon receipt of the list described in ORS 223.515, the treasurer shall proceed to collect the unpaid liens or final assessments named in the list by advertising and selling the lots or tracts in the manner now provided by law for the sale of real property on execution, except as otherwise provided in ORS 223.525 to 223.580 and except that sale may be made at such place within the corporate limits of such governmental unit as may be designated in the notice of sale. [Amended by 1991 c.902 §57]

223.523 Notice of sale; publication; personal notice to property owner and occupant. (1) Before a sale of real property under ORS 223.505 to 223.590 takes place, the treasurer shall have notice of the sale printed once a week for four successive weeks in a daily or weekly newspaper, as defined in ORS 193.010, generally circulated in the county in which the sale will be held. The notice of sale shall set forth the name and address of the treasurer conducting the sale, a particular description of the real property to be sold, including a street address, if any, the name of the owner of the property, the amount unpaid on the lien or final assessment and the date, time and place of sale, which shall be held in accordance with ORS 86.745 (7).

(2) The treasurer shall send a copy of the first of the four published notices by registered or certified mail to both the owner of the real property to be sold at the last-known post-office address of the owner or place of residence and to the occupant, if any, of the real property to be sold. The treasurer shall also send a notice containing the same information required in a published notice under subsection (1) of this section by registered or certified mail at least 60 days prior to the sale to any person requesting notice under ORS 86.785 and to any person having a lien or other interest in the real property to be sold if the lien or interest appears of record. The treasurer shall retain and file the return receipt for the registered or certified mail. [1977 c.403 §2; 1985 c.231 §1; 1991 c.902 §58]

223.525 Conduct of foreclosure sale. Each piece or tract of land shall be sold, separately, and for a sum equal to but not exceeding the unpaid lien or final assessment thereon and the interest, penalty and cost of advertising and sale. If there is more than one bid the land shall be sold to the bidder first offering to take it for the amount accrued thereon. No levy upon such lots or parcels of land shall be required except that a notice shall be posted four consecutive weeks before the sale upon every lot or parcel. [Amended by 1977 c.403 §3; 1991 c.902 §59]

223.530 Title of purchaser. A sale of real property under ORS 223.505 to 223.590 conveys to the purchaser, subject to redemption as provided in ORS 223.565 to 223.590, all estates, interests, liens or claims therein or thereto of any persons, together with all rights and appurtenances thereunto belonging, excepting only the lien of a governmental unit on such assessments or liens as are not included in the foreclosure proceedings. [Amended by 1991 c.902 §60]

223.535 Record of sales; receipts for lien payments. The treasurer shall enter into columns provided for that purpose in the list transmitted to the treasurer by the recorder the date of the sale, the name of the purchaser and the amount paid for each parcel of property sold. The treasurer shall give a receipt to each person paying any lien or final assessment on the delinquent list prior to the sale thereof. The receipt must state separately the lien or final assessment, interest and costs collected, and a duplicate of the receipt shall be filed with the treasurer. [Amended by 1991 c.902 §61]

223.540 Payment of sale price. Real property when sold for or to satisfy a delinquent final assessment or lien, or both, must be sold for lawful money of the United States, except as provided in ORS 223.545. [Amended by 1991 c.902 §62]

223.545 Purchase by governmental unit in absence of bids. If no bid is received for the sale of the property, the governmental unit may purchase the property by bidding therefor the amount of the lien or liens and the cost of advertising and sale. The property may be struck off and sold to the governmental unit without actual payment of money. [Amended by 1991 c.902 §63]

223.550 Certificate of sale; contents. The treasurer shall immediately, after having sold any real property upon the list described in ORS 223.515, make and deliver to the purchaser a certificate of sale of the property so sold, setting forth therein the object for which the sale was made, a description of the property sold, a statement of the amount it sold for, the lien or final assessment for which the property was sold, the name of the purchaser and that the sale is made subject to redemption within one year from the date of the certificate, and then deliver such certificate to the purchaser. [Amended by 1991 c.902 §64]

223.555 Lien docket entries mandatory. The treasurer shall, within three days after sale, return to the recorder the delinquent list, with all collections and sales noted thereon. The recorder shall then make proper entries of collections and sales in the appropriate lien docket. Thereafter no transfer or assignment of any certificate of purchase of real property sold under ORS 223.505 to 223.590 is valid unless an entry of such transfer or assignment has been noted by the recorder in said docket.

223.560 Unsold property reoffered; exceptions. If any property remains unsold at the sale, it may, in the discretion of the recorder, again be offered for sale in like manner, but not sooner than three months after the expiration of any sale, except that in the matter of an assessment for the opening, widening, laying out or establishing of a street, proceedings for such sale may be taken immediately.

223.565 Procedure and conditions of redemption. (1) The owner, or legal representatives of the owner, or the successor in interest of the owner, or any person having a lien by judgment, decree or mortgage, or owner of a tax lien, on any property sold by virtue of ORS 223.520 may redeem it upon conditions provided in this section. Redemption of any real property sold for a delinquent final assessment or lien under the provisions of ORS 223.505 to 223.590 may be made by paying to the treasurer, at any time within one year from the date of the certificate of sale, the purchase price and 10 percent thereof as penalty, and interest on the purchase price at the rate of 10 percent per annum, from the date of the certificate. Where redemption is made by the holder of a tax lien the holder may have such redemption noted upon the record of the lien in like manner and with like effect as prescribed in this section. Such redemption shall discharge the property so sold from the effect of the sale and, if made by a lien creditor, the amount paid for the redemption shall thereafter be deemed a part of the judgment, decree, mortgage or tax lien, as the case may be, and shall bear like interest, and may be enforced and collected as a part thereof.

(2) Anyone applying or seeking to redeem property sold under the provisions of ORS 223.505 to 223.590 must pay or offer to pay the sum necessary in lawful money of the United States.

(3) When an individual purchases real property at a foreclosure sale under ORS 223.505 to 223.590, if, with the approval of the governmental unit, that purchaser incurs costs for maintaining or improving the property during the period allowed for redemption and if the property is subsequently redeemed, the treasurer may return all or part of the penalty paid by the person redeeming the property to the purchaser as provided by charter or ordinance of the governmental unit. [Amended by 1977 c.403 §4; 1991 c.902 §65]

223.570 Execution and contents of deed to purchaser. After the expiration of one year from the date of the certificate of sale, if no redemption has been made, the treasurer shall execute to the purchaser, or the heirs or assigns of the purchaser, a deed of conveyance containing a description of the property sold, the date of the sale, a statement of the amount bid, of the lien or final assessment for which the property was sold, that the final assessment or lien was unpaid at the time of the sale and that no redemption has been made. The statement need contain no further recital of the proceedings prior to the sale. [Amended by 1991 c.902 §66]

223.575 Legal and evidentiary effect of deed. The effect of the deed shall be to convey to the grantee therein named the legal and equitable title in fee simple, to the real property described in the deed, excepting only the lien of a governmental unit on such assessments or liens as were not included in the foreclosure proceedings. The deed shall be prima facie evidence of title in the grantee, except as stated in this section, and that all proceedings and acts necessary to make such deed in all respects good and valid have been had and done. Such prima facie evidence shall not be disputed, overcome or rebutted, or the effect thereof avoided, except by satisfactory proof of either:

(1) Fraud in making the final assessment or in the final assessment, or in the procuring of the lien.

(2) Payment of the final assessment or lien before sale or redemption after sale.

(3) That payment or redemption was prevented by fraud of the purchaser.

(4) That the property was sold for a lien or final assessment for which neither the

property nor its owner, at the time of sale, was liable, and that no part of the final assessment or lien was assessed or levied upon the property sold. [Amended by 1991 c.902 §67]

223.580 Grantee of deed entitled to possession. The grantee named in the deed described in ORS 223.570 shall upon delivery thereof be entitled to the immediate possession of the real property therein described.

223.585 Time limitation on actions to recover sold property. Every action, suit or proceeding which may be commenced for the recovery of land sold by the treasurer for any final assessment or lien or to quiet the title of the former owner, or the successors in interest of the former owner, against such sale, or to set aside such sale, or to remove the cloud thereof, except in cases where the final assessment or lien for which the land has been sold was paid before the sale, or the land redeemed as provided by law, shall be commenced within one year from the time of recording the deed executed under ORS 223.570. [Amended by 1991 c.902 §68]

223.590 Tender of purchase price in action to recover property. In any action, suit or proceeding referred to in ORS 223.585, whether before or after the issuance of the deed, the party claiming to be the owner as against the party claiming under the sale must tender with the first pleading of the party and pay into the court at the time of filing such pleading the amount of the purchase price for which the lands were sold, together with the penalties prescribed by law at the time of the sale, and of all taxes and final assessments or liens, or both, levied or made upon or against the land, or any part thereof, which were paid after the sale by the purchaser at the sale, or the heirs or assigns of the purchaser, together with interest thereon at the rate of 10 percent per annum from the respective times of the payment of the purchase price, taxes, final assessments or liens, or both, by the purchaser, or the heirs or assigns of the purchaser, up to the time of the filing of the pleading, to be paid to the purchaser, or the heirs or assigns of the purchaser, in case the right or title of the purchaser at the sale fails in such action, suit or proceeding. [Amended by 1991 c.902 §69]

223.593 Alternate redemption procedure; cash payment required. (1) Notwithstanding ORS 223.565 and 223.650, when a governmental unit sells real property under ORS 223.510 to 223.590 or pursuant to a decree of foreclosure entered in an action authorized by ORS 223.610 for neglect or refusal by the owner to pay installments under ORS 223.265, the property may be redeemed as provided in this section by the owner, a legal representative or a successor in interest or by any other person having a lien on the property.

(2) Redemption of such real property may be made by paying to the treasurer of the governmental unit, at any time within one year after the date of sale, the following amounts:

(a) The purchase price at the foreclosure sale and 10 percent thereof as penalty;

(b) The amount of any taxes, assessments or liens upon the property that are paid after the sale by the purchaser at the sale; and

(c) Interest on the amounts paid under paragraphs (a) and (b) of this subsection at a rate of 10 percent per annum from the respective times of the payments of the purchase price, taxes, assessments or liens to the date of redemption.

(3) A redemption of property under this section shall be made for cash. [Formerly 223.670]

223.595 Validation of prior foreclosure proceedings. All foreclosure proceedings had or taken prior to May 28, 1927, by any municipal corporation which substantially comply with the provisions of ORS 223.505 to 223.590 hereby are declared to be legal and valid to the same extent as if they were had or taken under those sections.

223.605 Definitions for ORS 223.605 to 223.650. As used in ORS 223.605 to 223.650, "liens" means liens, final assessments or installments of final assessments and includes any of those terms. [Amended by 1991 c.902 §70]

223.610 Foreclosure of certain liens by suits in equity. In addition to methods now provided by law, charters, ordinances or acts of incorporation for the foreclosure or collection of liens, any governmental unit may foreclose any lien lawfully levied or assessed by it, by suit in equity in the circuit court of the county in which the governmental unit is located. [Amended by 1991 c.902 §71]

223.615 Governmental unit may recover attorney fees. In any suit authorized by ORS 223.610, if a decree of foreclosure is entered, the governmental unit is entitled to recover, as part of the moneys to be made on the sale on execution of the property involved, such sum as the court may deem reasonable as attorney fees at trial and on appeal. The sum so allowed shall be a lien upon the property. [Amended by 1981 c.897 §43; 1991 c.902 §72]

223.620 Laws applicable to foreclosure proceedings. Suits authorized by ORS 223.610 shall be governed by ORS 88.010 to 88.100 and 93.760 and by all other laws relating to suits in equity insofar as applicable,

except as otherwise provided in ORS 223.610 to 223.650. [Amended by 1987 c.586 §48a]

223.625 Liens which may be included in foreclosure suit. In any suit authorized by ORS 223.610, the governmental unit may include any number of lots upon which it has delinquent liens though the liens may have been levied under the same or different ordinances or resolutions. Any number of different delinquent liens may be foreclosed upon the same lot in one suit. If there is more than one delinquent lien on any lot, the various amounts thereof, including accrued interest, penalties, costs and attorney's fees, shall be added together and the total thereof shall be deemed the amount of the lien for which the lot is to be sold. [Amended by 1991 c.902 §73]

223.630 Joinder of parties in interest as defendants. In any suit authorized by ORS 223.610, the record owner and all persons and corporations claiming some right, title, lien or interest in and to any lot involved in the suit, and also all other parties or persons unknown claiming any right, title, estate, lien or interest in the real property described therein or any part thereof, may be joined as party defendants.

223.635 Complaint served on owner; issues tried separately. In addition to the service of summons, each record owner of a lot involved in the foreclosure suit shall be served with complaint in the manner provided by law. Any issue made by the pleadings in any foreclosure suit relating only to a certain lot or lots shall be tried separately and determined upon motion of any party in interest therein.

223.640 Allegations of jurisdictional facts. In any suit authorized by ORS 223.610, it shall be a sufficient allegation of jurisdictional facts authorizing the governmental unit to make and levy any lien if the complaint alleges in general terms that the local improvement was made in the manner and as provided by law, by the governmental unit's charter, ordinances, resolutions, or any of them, relating to such local improvement. It is not necessary to specifically set forth in the complaint any such charter provisions, ordinances or resolutions. [Amended by 1991 c.902 §74]

223.645 Right of governmental unit to bid at execution sale. The governmental unit may bid at the sale on execution of the property involved in the foreclosure suit any amount not exceeding the sum found by the decree of the court to be due upon the governmental unit's lien, together with interest, costs, penalties and attorney's fees, and it may credit the amount of its bid upon the execution. [Amended by 1991 c.902 §75]

223.650 Redemption; no deficiency judgment. The time and manner for redemption of property from sales on execution in suits authorized by ORS 223.610 shall be the same as provided by law for the redemption of real property from sales on execution. The amount to be paid on redemption under this section shall be the amount for which the property was sold on execution, together with interest thereon at the rate of six percent per annum from the date of the sale until the date of redemption. However, no deficiency judgment shall be entered against the owner of the property.

223.670 [1985 c.656 §2; 1991 c.902 §76; renumbered 223.593 in 1991]

FINANCING OF LOCAL IMPROVEMENTS; REBONDING; REINSTATEMENT; TYPE OF BONDS ACCEPTED IN PAYMENT OF LIENS; ASSESSMENT OF PUBLIC PROPERTY

223.705 Rebonding of unpaid assessments. Subject to the prior approval of the governing body of the governmental unit, the owner of any property assessed for local improvements under state law or under the charter of any governmental unit, and in cases where a final assessment for local improvement has been bonded and entered in the bond lien docket as authorized by ORS 223.205 and 223.210 to 223.295 or the charter and the bonded assessment has not been fully paid, may file with the auditor, clerk or other officer charged with the keeping of records of the governmental unit an application for rebonding the original assessment in the amount due and unpaid thereon. The auditor, clerk or other officer charged with keeping the records of the governmental unit may accept these applications. If there is more than one final assessment on the same piece of property, the owner may combine them in one application. [Amended by 1991 c.902 §77]

223.710 Rebonding application; form; prerequisites. (1) The applications for rebonding shall be in the same form and preserved as original bonding applications. The officer charged with keeping the records of the governmental unit shall keep the bonding applications in convenient form for examination. The officer shall enter in a docket kept for that purpose a description of each lot or parcel of land against which the rebonding assessment is made, or which bears or is chargeable for the cost of the local improvement, with the name of the then owner and the total amount of unpaid final assessments rebonded.

(2) The total amount to be rebonded against any lot or parcel of land must be $25 or more. The owner shall tender and pay

with the application all accrued interest due on the bonded assessment to the first of the month preceding the date of application.

(3) No application for rebonding shall be received unless the taxes for any quarter of the current year then due and payable, together with the entire amount of taxes of the year immediately preceding the year in which the application is filed, have been fully paid and evidence of such payment satisfactory to the officer receiving the application is produced at the time of making the application. [Amended by 1991 c.902 §78]

223.715 Payment of rebonded assessment. The amount of the assessment to be rebonded shall constitute a new principal and shall be paid in such number of equal periodic installments as the governing body of the governmental unit may determine, with interest thereon at the rate per annum determined by the governing body of the governmental unit under ORS 223.215. [Amended by 1969 c.531 §6; 1981 c.322 §5; 1991 c.902 §79]

223.720 Amount of lien; priority. The amount of the unpaid rebonded assessments entered in the rebonding assessment docket, with interest on unpaid rebonded assessments at the rate per annum determined by the governing body of the governmental unit under ORS 223.215, against each such lot or parcel of land, shall stand as a lien in favor of the governmental unit until the rebonded assessments and interest are paid. A rebonding assessment lien shall have the same priority as all other liens relating to assessments for local improvements. [Amended by 1969 c.531 §7; 1981 c.322 §6; 1991 c.902 §80]

223.725 Issuance and sale of bonds. Each governmental unit may, by ordinance or resolution of its governing body from time to time, issue and sell pursuant to rebonding applications, bonds of the tenor of those designated in ORS 223.235, in an amount not exceeding the total amount of such applications. [Amended by 1991 c.902 §81]

223.730 Application of proceeds from sale of bonds. The proceeds from the sale of bonds issued under ORS 223.725 shall be applied as follows:

(1) The amount provided under ORS 223.705 to be rebonded shall be placed to the credit of the improvement bond sinking fund. Thereafter, as soon as practicable and in so far as possible, there shall be called and paid an equivalent amount of the bonds originally issued and so refunded by new applications to pay in installments.

(2) The balance of the proceeds of the sale shall be placed to the credit of the improvement bond interest fund.

223.735 Debt limitation of governmental unit not applicable. The bonds and the amount thereof authorized pursuant to ORS 223.705 shall not be counted in calculating the limited indebtedness of any governmental unit, fixed either by its charter, ORS 223.295, by any law, or by the constitution of this state, but shall be in excess thereof and excluded from such debt limitations. [Amended by 1991 c.902 §82]

223.740 General provisions applicable. Except as otherwise provided in ORS 223.705 to 223.750, the provisions of ORS 223.205 and 223.210 to 223.295 or any charter shall apply to the rebonding application, to the form, to the manner of paying the amount entered in the bond lien docket, to the collection of delinquent installments and to issuance, sale and redemption of improvement bonds issued pursuant to ORS 223.725.

223.745 Scope of power granted. The power granted by ORS 223.705 to 223.750 is vested in each governmental unit and is self-operating therein without further necessity of enacting charter or ordinance provisions incorporating the terms of those sections. [Amended by 1991 c.902 §83]

223.750 Enactment of rulemaking ordinances; effect of irregularities. (1) Each governmental unit, through its governing body, may provide, by such ordinances, rules and regulations as may be needed, for accepting rebonding applications, issuing bonds and otherwise carrying out the terms of ORS 223.705 to 223.750; and may, by such ordinance and in conformity with ORS 223.715, determine the interest rate to be charged property owners who apply to rebond liens as provided by those sections.

(2) No error or omission in rebonding liens shall invalidate or impair the original bonded lien. [Amended by 1991 c.902 §84]

223.755 Reinstatement of delinquent bonded assessments authorized. (1) As used in this section, "bonded assessment" means any assessment for a local improvement levied by any governmental unit where application to pay such assessment in installments has been filed with the governmental unit levying it.

(2) After approval by the governing body of any governmental unit, the owner of any property, against which there is outstanding any delinquent bonded assessment, at any time before the property affected by the assessment has been sold for the collection thereof as provided by law, may pay any delinquent installment of the bonded assessment, together with the amount of interest due thereon as provided by the law governing the same, plus the cost of advertising the property for sale and a penalty of three percent on the amount of the delinquent installment so paid.

(3) The power granted by subsection (2) of this section is vested in each governmental unit and is self-operating therein without the necessity of amending the charter thereof incorporating the terms of this section.

(4) The governing body of each governmental unit may, in its discretion, by ordinance, make the provisions of this section applicable to delinquent bonded assessments levied by it and outstanding against property in the governmental unit. [Amended by 1991 c.902 §85]

223.760 H.O.L.C. bonds accepted in payment of assessment liens. The governing body of any incorporated city may by ordinance provide that any or all special assessments levied against any tract or part thereof within the city and due the city, may be paid by bonds issued by the Home Owners' Loan Corporation, created by Act of Congress as of June 13, 1933. The governing body shall in the ordinance prescribe the terms and conditions under which those bonds shall be accepted in payment of such assessments.

223.765 Bonds accepted as payment for assessment liens. Any governmental unit may, by ordinance duly passed by its governing body, authorize the acceptance by such governmental unit of the general obligation bonds or interest coupons attached, or both, of the governmental unit, in payment of all or any part of special assessment liens, interest or penalties of or payable to the governmental unit. [Amended by 1991 c.902 §86]

223.770 Assessment of public property benefited by improvements. (1) Whenever all or any part of the cost of public improvements made by any governmental unit is to be assessed to the property benefited thereby, benefited property owned by the governmental unit, city, county, school districts, state and any political subdivision thereof shall be assessed the same as private property and the amount of the assessment shall be paid by the governmental unit, city, school districts, county or state, as the case may be, provided that the costs of the improvements are, in any given case, of the type that may be bonded under ORS 223.205 and 223.210 to 223.220.

(2) In the case of property owned by the state, the amount of the assessment shall be certified by the treasurer and filed with the Executive Department as a claim for reference to the Legislative Assembly in the manner provided by ORS 293.316, unless funds for the payment of the assessment have been otherwise provided by law. [Amended by 1967 c.454 §93; 1991 c.902 §87]

223.775 Assessment of property of cemetery authority benefited by certain improvements. (1) As used in subsections (2) to (5) of this section:

(a) "Cemetery authority" means a nonprofit cemetery or crematory corporation.

(b) "Sale" includes a contract of sale as well as a sale.

(2) Notwithstanding the provisions of ORS 65.855 to 65.875 or any other provision of law, whenever all or any part of the cost of a street, curb or sidewalk improvement made by a governmental unit is to be assessed to the property benefited thereby, benefited property owned and platted for cemetery or crematory purposes by a cemetery authority shall be assessed the same as private property. The amount of the assessment shall be paid by the cemetery authority as provided in this section.

(3)(a) Within 60 days after the date the ordinance levying the initial assessment is enacted by the governmental unit, the cemetery authority shall furnish the governmental unit with a list of platted burial lots within the benefited property unsold on the date such ordinance was enacted. Until such assessment is paid in full, whenever additional burial lots are platted within the benefited property, the cemetery authority shall furnish the governmental unit with a list of such additional lots at the time the plat thereof is recorded.

(b) Out of the first funds received for the sales price of any of such lots, the cemetery authority after setting aside perpetual care and maintenance funds as required by law or otherwise shall credit five percent of such sales price to a special account for the payment of the assessment until a sum equal to the assessment and any interest due thereon has been so credited.

(4) All funds accumulated in the special account for the payment of assessments shall be paid semiannually to the governmental unit levying such assessment, the first payment to be made six months after the date the final assessment was levied and succeeding payments each six months thereafter until such assessment and any interest due thereon, as provided in this subsection, is paid in full. Any funds in such account that are not paid to the governmental unit when due shall bear interest at the rate of seven percent per annum from the due date until paid to the governmental unit.

(5) Platted property of a cemetery authority subject to an assessment as provided in this section is exempt from execution for collection of any such assessment while such property is held by a cemetery authority for cemetery or crematory purposes. Any such

assessment levied against a cemetery authority shall be payable only from the funds received for the sale of lots listed with the governmental unit as required by subsection (3) of this section. Except as provided in subsection (4) of this section, interest shall not be due on the unpaid balance of any such assessment. [1963 c.521 §§1, 2; 1969 c.531 §8; 1991 c.902 §88]

223.785 [1969 c.505 §1; 1983 c.349 §7; 1983 c.713 §1; repealed by 1991 c.902 §121]

SPECIAL CITY IMPROVEMENTS; PARKING FACILITIES; STREETS; SIDEWALKS; AIDS TO WATER COMMERCE

223.805 Short title of ORS 223.805 to 223.845. ORS 223.805 to 223.845 shall be known as the Motor Vehicle Parking Facilities Act.

223.810 Establishment of motor vehicle parking facilities. Any incorporated city may establish one or more off-street motor vehicle parking facilities for the general use and benefit of the people of the city, or for one or more special classes of vehicles, as appears necessary, proper or beneficial in the public interest. For these purposes, the city may proceed as provided in ORS 223.815 to 223.845.

223.815 Acquisition of property for parking facilities. For the purposes of ORS 223.810, a city may acquire property at or below the surface of the earth, by purchase, condemnation, exchange or other lawful manner. However, a city may not so acquire privately owned property used for public parking unless the facility to be constructed by the city would substantially increase the number of vehicle off-street parking spaces available for public use. The city may use the area below the street surface or the area beneath the surface of a park or other public property. [Amended by 1959 c.653 §8; 1967 c.478 §1]

223.820 Planning, constructing and contracting for the operation of or leasing parking facilities. For the purposes of ORS 223.810, a city may:

(1) Plan, design and locate the parking facilities.

(2) Construct, alter, enlarge, repair and maintain buildings, structures, equipment, access and entrance facilities, exit facilities, fencing and other accessories necessary or desirable for the safety or convenience of motorists using the off-street parking facilities.

(3) Contract with any person, firm or corporation for construction or for operation of the parking facility upon such terms as are found to be in the public interest, after first advertising for bids therefor by publication not less than once a week for two consecutive weeks in a newspaper of general circulation in the city, making two publications in all.

(4) Lease for a period not exceeding 50 years, notwithstanding any conflicting provision of any law, city charter or ordinance, any property referred to in ORS 223.810 to any person, firm or corporation pursuant to an agreement, according to such terms as are found to be in the public interest, whereby such person, firm or corporation undertakes to construct, where necessary, or alter or repair, and maintain and operate on such property the buildings, structures, equipment, facilities and accessories necessary or convenient for parking facilities, and title to such building or structure to be constructed or altered shall vest in the city either when constructed or altered or at the termination of said lease. Such agreement shall be made only after first advertising for bids therefor by publication not less than once a week for two consecutive weeks in a newspaper of general circulation in the city, making two publications in all. [Amended by 1953 c.668 §2]

223.825 Financing of parking facilities. For the purposes of ORS 223.810, a city may finance the parking facilities by any one or any combination of the following methods:

(1) General obligation bonds within the legal debt limitations, or revenue bonds payable primarily or solely out of revenue from parking facilities in such amounts, at such rate of interest, and upon such conditions as may be prescribed by the legislative authority of the city.

(2) Special or benefit assessments equal to the actual costs of the parking facilities, or a portion thereof, such assessment to be levied against property benefited in proportion to the benefit derived, the amount of such assessment to be determined in accordance with special assessment practices for local improvements as now or hereafter prescribed by the ordinances or charter provisions of the city.

(3) Parking fees, special charges or other revenue derived from the use of off-street parking facilities by motorists, lessees, concessionaires, commercial enterprises or others.

(4) General fund appropriations.

(5) State or federal grants or local aids.

(6) Parking meter revenues.

(7) General property taxes, or gift, bequest, devise, grant or otherwise.

(8) For any city under 300,000 according to the latest federal decennial census, a reasonable annual fee on the privilege of occupying real property within the city or a

district of the city to carry on a business, occupation, profession or trade. In levying the fee, the governing body shall take into consideration the unmet off-street parking requirements of such business. The proceeds of the fee, less refunds and costs of collection, shall be used solely for the purposes of ORS 223.805 to 223.845. The fee is in addition to, and not in lieu of, any other tax, assessment or fee required by state or local law or ordinance. [Amended by 1959 c.653 §9; 1967 c.380 §1; 1969 c.380 §1; 1991 c.902 §89]

223.830 Service concessions in parking facilities. For the purposes of ORS 223.810, a city may rent or lease to any individual, firm or corporation any portion of the premises established as an off-street parking facility for service concessions, commercial uses or otherwise, after first advertising for bids therefor by publication not less than once a week for two consecutive weeks in a newspaper of general circulation in the city, making two publications in all. [Amended by 1967 c.380 §2]

223.835 Fees and regulations of parking facilities. For the purposes of ORS 223.810, a city may:

(1) Charge such fees as the legislative authority of the city finds fair and reasonable for the privilege of using the off-street parking facilities. These fees need not be limited to the cost of operation and administration but may be for revenue.

(2) Regulate and restrict the use of the parking facilities or prohibit the use thereof for vehicles of more than a class or classes of vehicles and provide penalties for violation of such regulations or prohibitions.

223.840 Disposing of property acquired for parking facilities. For the purposes of ORS 223.810, a city may sell, encumber, lease, exchange or otherwise dispose of property and property rights acquired as may be found in the public interest.

223.845 Limitation on operation by city of parking facilities; disbursement of revenues. For the purposes of ORS 223.810, a city may operate a parking facility or lease the same under ORS 223.820, as the city may determine. In no event shall the city operate any service concessions. In case the city operates a parking facility, it may provide, and if revenue bonds are issued to finance the acquisition and construction of such facility it must provide, that the revenues derived from the operation of the facility shall be disbursed by the city for some or all of the following purposes:

(1) Payment of interest on and retirement of principal of bonds issued by the city for financing the acquisition or construction of such facility.

(2) Payment of the necessary costs and expenses of operating the facility.

(3) Creation and maintenance of a reserve account to make necessary replacements.

(4) Payment to the taxing bodies in lieu of taxes an amount equal to the ad valorem taxes that would be derived from the facility if under private ownership.

(5) Reimbursement of owners of real property for special assessments paid by them and levied against real property to finance the parking facility.

(6) Payment to the city of a fair return on its investment in the facility for the purpose of making additional parking and traffic improvements.

In case the revenues produce more than sufficient moneys than required for the matters mentioned in subsections (1) to (6) of this section, then the governing body shall reduce the rates charged for the use of the facility. [Amended by 1959 c.653 §10]

223.849 [1957 c.430 §1; repealed by 1959 c.653 §12]

223.850 [Renumbered 223.880]

223.851 Special assessment for street lighting, street maintenance and street cleaning; approval by electors. When authorized at any properly called election, the governing body of a city may assess, levy and collect annual assessments upon any real property within its boundaries for street lighting, street maintenance and street cleaning services which benefit the property. [1983 c.234 §2]

223.852 [1957 c.430 §2; repealed by 1959 c.653 §12]

223.854 [1957 c.430 §3 repealed by 1959 c.653 §12]

223.855 [Renumbered 223.882]

223.856 Measure imposing assessments; contents. (1) A measure authorizing assessments under ORS 223.851 to 223.876 shall specify the services proposed to be financed by the assessments, the maximum amount which may be imposed and the number of years in which assessments will be made.

(2) Each assessment measure shall provide for the operation and maintenance of a single street lighting, street maintenance or street cleaning service. More than one measure may be submitted to the electors at a single election. Assessments for street lighting may include an amount sufficient to pay construction, reconstruction, modification and installation costs as well as operating and maintenance costs.

(3) The measure shall provide that assessments are in lieu of any existing serial ad valorem tax levy for the service to be provided. [1983 c.234 §3]

223.857 [1957 c.430 §4; repealed by 1959 c.653 §12]

223.859 [1957 c.430 §5; repealed by 1959 c.653 §12]

223.860 [Renumbered 223.884]

223.861 Basis of assessment. Assessments shall be based upon any reasonable basis of assessment related to services received by the assessed property for the period specified in the measure. [1983 c.234 §4]

223.862 [1957 c.430 §6; repealed by 1959 c.653 §12]

223.864 [1957 c.430 §7; repealed by 1959 c.653 §12]

223.865 [Renumbered 223.886]

223.866 Levy of assessment; manner of collection; effect of nonpayment. (1) The city each year shall estimate assessments needed and the amount of assessment for each tax account, and the amount thereof may be levied and returned to the officer whose duty it is to extend the ad valorem tax roll at the time required by law for taxes to be levied and returned.

(2) All assessments levied by the city shall become payable at the same time, may be collected by the same officer who collects ad valorem taxes and shall be turned over to the city according to law.

(3) The officer whose duty it is to extend the city levy may extend the levy of the city in the same manner as city taxes are extended.

(4) Property shall be subject to sale for the nonpayment of assessments levied by the city in like manner and with like effect as in the case of city taxes. [1983 c.234 §5]

223.867 [1957 c.430 §8; repealed by 1959 c.653 §12]

223.869 [1957 c.430 §9; repealed by 1959 c.653 §12]

223.870 [Renumbered 223.888]

223.871 [1983 c.234 §6; repealed by 1991 c.902 §121]

223.872 [1957 c.430 §10; repealed by 1959 c.653 §12]

223.874 [1957 c.430 §11; repealed by 1959 c.653 §12]

223.875 [Renumbered 223.900]

223.876 Charter authority not affected. ORS 223.851 to 223.876 are in addition to and not a limitation on authority a city may exercise under its charter. [1983 c.234 §7]

223.877 [1957 c.430 §12; repealed by 1959 c.653 §12]

223.878 Inclusion of property outside city in city assessment for local street improvement. (1) The governing body of a city may include property located outside the city as part of the property to be improved or to be assessed for a street improvement, subject to the following conditions:

(a) The type of street improvement is one which the city has authority to finance by assessments against property within the city.

(b) The governing body of the county, by resolution, approves the improvement if any portion of it is outside the city.

(c) The governing body of the county, by resolution, approves the assessment of the property outside the city.

(d) The assessment authority, including authority to enforce collection of assessments, is exercised for property outside the city in the same manner as for property within the city.

(2) The owners of property outside the city subject to assessment under this section shall have the same rights, including remedies, which the owners of property within the city may have. [Formerly 308.170]

Note: 223.878 [formerly 308.170] was enacted into law by the Legislative Assembly but was not added to or made a part of ORS chapter 223 or any series therein by legislative action. See Preface to Oregon Revised Statutes for further explanation.

223.879 [1957 c.430 §13; repealed by 1959 c.653 §12]

223.880 Public roads included in sidewalk improvement district; assessment on property benefited. Any incorporated city, in addition to powers granted by law or charter, may include in any sidewalk improvement district within the city all county roads or state highways or any part thereof which are located within the improvement district. It may cause to be built on the county roads or state highways or portions thereof within the improvement district, sidewalks for pedestrian travel, and may assess the cost thereof upon the property benefited thereby, in the manner provided by charter or law. [Formerly 223.850]

223.882 Acquisition of property by city to aid water commerce. In order to secure benefit from the United States Bonneville electrical and navigation project, all cities may purchase, acquire by condemnation, or lease, real property for the purpose of constructing thereon wharves, docks or other similar structures, or other aid to water-borne commerce, or for providing for sites for the location and operation of industrial or manufacturing plants or works thereon which will use the electrical energy developed by the Bonneville project and which would constitute feeders for docks, wharves or other aids of water-borne commerce. [Formerly 223.855]

223.884 Authority to take property within and without city limits. In carrying out the powers granted by ORS 223.882, cities are granted the right of eminent domain and the right to take private property for the public uses authorized by ORS 223.882. This power shall be exercised as provided by ORS chapter 35. Real property located without the corporate limits of the city, adjacent or contiguous to any of the boundary lines of the corporate limits of the city or within 10 miles of the boundary line of the corporate limits of any such city, may

be acquired under the terms of this section. The determination of the council, commission of public docks, or other administrative body of the city having jurisdiction of its wharf or dock property that the acquiring of any particular real property is necessary to carry out the purposes of ORS 223.882 shall be sufficient foundation for the exercise of the right of eminent domain, notwithstanding that there is other real property available that might be used for those purposes. [Formerly 223.860; 1971 c.741 §22]

223.886 Loans authorized to finance improvements; security for loans; consent of electors. In carrying out the powers conferred by ORS 223.882, the city may borrow money from any person, corporation or agency of the United States Government for the purchase of any real property described in ORS 223.882, or for paying the cost of improvements on any real property, which improvements may include the construction of docks, wharves or other structures and appurtenant appliances or fixtures or machinery necessarily required to operate a wharf or dock. In borrowing money for any of these purposes the cities may secure money so borrowed by executing and giving a mortgage or similar indenture on any such real property and its revenues. If repayment of money borrowed for acquisition or improvement of any such real property is not to be secured solely by the real property and the income derived therefrom, then, before a debt for the purpose of this section or ORS 223.882 can be contracted or incurred, the consent of the electors of the city must first be obtained. [Formerly 223.865]

223.888 Authority of city to carry out law. In the execution of powers conferred by ORS 223.882 to 223.886, a city may act through its council, commission of public docks, or other administrative body having jurisdiction of its wharves, docks or waterfront property. The city or its said administrative body may enter into and execute contracts or leases and do all acts and things requisite for carrying out the purposes of ORS 223.882 to 223.900. [Formerly 223.870]

223.900 Leasing property to individuals. In leasing or renting any part or portion of the real property acquired pursuant to the authority of ORS 223.882 to any individual or corporation, a city shall act in conformity with the requirements of ORS 271.300 to 271.360 when those sections are applicable. [Formerly 223.875; 1985 c.443 §2]

MISCELLANEOUS

223.905 Duration of Public Works Acts. (1) Except in pursuance of any contract or agreement entered into by and between any municipality and any federal agency prior to January 1, 1943, no municipality shall borrow any money or deliver any bonds pursuant to the provisions of chapter 455, Oregon Laws 1937, after January 1, 1943.

(2) Except in pursuance of any contract or agreement entered into by and between any municipality and any federal agency prior to December 31, 1941, no municipality shall exercise any of the powers conferred by chapter 348, Oregon Laws 1935, after December 31, 1941.

223.910 Validation of bonds issued under Public Works Act of 1937. All bonds or other obligations issued prior to March 27, 1939, pursuant to an election held under chapter 455, Oregon Laws 1937, and all proceedings taken prior to March 27, 1939, with respect to bonds or other obligations authorized prior to March 27, 1939 by an election held under chapter 455, Oregon Laws 1937, and which were issued within one year after March 27, 1939, by municipalities, for the purpose of obtaining loans from the Federal Emergency Administration of Public Works, pursuant to chapter 455, Oregon Laws 1937, are validated, ratified, approved and confirmed. All bonds or other obligations so issued and approved and all proceedings taken prior to March 27, 1939, with respect to bonds or other obligations authorized prior to March 27, 1939, by an election held under chapter 455, Oregon Laws 1937, and to be issued within one year after March 27, 1939, are confirmed and approved. The bonds or other obligations issued prior to March 27, 1939, are declared to be legal and binding obligations upon such municipalities for any and all purposes.

223.915 Operation of municipal debt limitations on bonds issued under Public Works Act of 1937. Bonds issued under chapter 455, Oregon Laws 1937, are not subject to any limitations on municipal indebtedness as provided by law, including but not limited to ORS 287.004. However, all bonds issued under chapter 455, Oregon Laws 1937, shall be included in determining the power of a municipality to issue bonds under any other law.

223.920 Manner of paying bonds. The bonds issued under chapter 455, Oregon Laws 1937, are payable in the manner provided by ORS 287.006; except that ORS 287.006 shall not apply to bonds payable solely from revenues.

223.925 Power of cities to secure payment of bonds. In order to secure payment of any bonds issued pursuant to chapter 455, Oregon Laws 1937, and interest thereon, or in connection with such bonds, any municipality may:

(1) Pledge the full faith and credit and taxing power of the municipality to the punctual payment of the principal and interest on such bonds.

(2) Pledge all or any part of the revenues received or receivable by the municipality from any public works project then existing or thereafter to be constructed for the punctual payment of the principal of the bonds issued for such public works project, and the interest thereon, and to covenant against thereafter pledging any such revenues to any other bonds or any other obligations of the municipality for any other purpose.

(3) Provide for the terms, form, registration, exchange, execution and authentication of such bonds.

(4) Covenant as to the revenues to be charged in connection with the public works project for which such bonds are to be issued and as to the use and disposition to be made thereof.

(5) Covenant to set aside or pay over reserves and sinking funds for such bonds and as to the disposition thereof.

(6) Redeem such bonds, and covenant for their redemption and provide the terms and conditions thereof.

223.930 Streets along city boundaries or partly within and without city. (1) Any city may construct, improve, maintain and repair any street the roadway of which, as defined in the Oregon Vehicle Code, is along or along and partly without, or partly within and partly without the boundaries of the city and may acquire, within and without the boundaries of such city, such rights of way as may be required for such street by donation or purchase or by condemnation in the same manner as provided in ORS 223.005 to 223.105, except as provided in subsection (2) of this section.

(2) In any condemnation proceeding pursuant to subsection (1) of this section, a city shall not have any right of occupancy or possession until the condemnation judgment is paid. [1955 c.551 §1; 1985 c.16 §453]

223.935 Basis for legalization of road. A city governing body may initiate proceedings to legalize a city road within the city under ORS 223.935 to 223.950 if any of the following conditions exist:

(1) If, through omission or defect, doubt exists as to the legal establishment or evidence of establishment of a public road.

(2) If the location of the road cannot be accurately determined due to:

(a) Numerous alterations of the road;

(b) A defective survey of the road or adjacent property; or

(c) Loss or destruction of the original survey of the road.

(3) If the road as traveled and used for 10 years or more does not conform to the location of a road described in the city records. [1989 c.375 §1]

223.940 Proceedings for legalization of roads; report; notice. (1) If proceedings for legalization of a road are initiated under ORS 223.935, the city governing body shall:

(a) Cause the road to be surveyed to determine the location of the road;

(b) Cause the city engineer or other city road official to file a written report with the city governing body including the survey required under this section and any other information required by the city governing body; and

(c) Cause notice of the proceedings for legalization to be provided to owners of abutting land in the manner required by city ordinance or charter.

(2) In a proceeding under this section, any person may file with the city governing body information that controverts any matter presented to the city governing body in the proceeding or alleging any new matter relevant to the proceeding. [1989 c.375 §2]

223.945 Compensation for property affected by road legalization. (1) A city governing body shall provide for compensation under this section to any person who has established a structure on real property if the structure encroaches on a road that is the subject of legalization proceedings under ORS 223.935 to 223.950.

(2) To qualify for compensation under this section, a person must file a claim for damages with the city governing body before the close of the hearing to legalize the road. The city governing body shall consider a claim for damages unless the city governing body determines that:

(a) At the time the person acquired the structure, the person had a reasonable basis for knowing that the structure would encroach upon the road;

(b) Upon the original location of the road, the person received damages;

(c) The person or the person's grantor applied for or assented to the road passing over the property; or

(d) When making settlements on the property, the person found the road in public use and traveled.

(3) The compensation allowed under this section shall be just compensation for the removal of the encroaching structure.

(4) The city governing body may proceed to determine compensation and acquire the structure by any method authorized by law or by the city charter.

(5) If a city governing body determines that removal of the encroaching structure is not practical under this section, the city governing body may acquire property to alter the road being legalized. [1989 c.375 §3]

223.950 Order under road legalization proceeding. (1) After considering matters presented in a proceeding to legalize a road under ORS 223.935 to 223.950, a city governing body shall determine whether legalization of the road is in the public interest and shall enter an order abandoning or completing the legalization procedures on the road.

(2) When a city governing body legalizes a road under ORS 223.935 to 223.950, the city governing body shall cause the road to be surveyed and the centerline and right of way to be monumented by a registered professional land surveyor. The survey map and narrative for such survey shall be prepared and filed with the county surveyor in accordance with ORS 209.250.

(3) Courts shall receive any order filed under this section as conclusive proof that the road exists as described in the order.

(4) Upon completion of the legalization procedures under ORS 223.935 to 223.950:

(a) Any records showing the location of the road that conflict with the location of the road as described in the order are void; and

(b) The road exists as shown on the order legalizing the road. [1989 c.375 §4]