



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
For the Meeting of September 9, 2024

Title/Subject

Resolution No. 2337 - Adopting a Procedure and Establishing a Program for the Sale of Individual Parcels of a Class of City-Owned Property

Summary and Background

City Council authorized purchase of 44 Acres in the South Hermiston Industrial Park in December 2023 for the purposes of leveraging the property for economic development. The driving concern being that without action by the City, the property could have languished on the balance sheet of a large out of state corporation for decades or been purchased by a speculator for either high immediate profit or ultra-long-term investment. Any of those options are not economically beneficial to Hermiston as they would lock one of the most economically valuable properties in the community into a state of un-development.

At the time of authorization, the direction of the City Council was to market the property for sale to legitimate development prospects likely to generate employment. Specifically, the direction was to market the property in sizes not less than 10 acres. The Council authorized implementation of this strategy for 5 years, and if, after 5 years, any of the land remained, then the intention would be to sell the remainder to at least recoup the initial investment. The City closed on the purchase of the property on May 31, 2024, and is now establishing a streamlined process to facilitate this policy direction.

ORS 221.725 sets the procedure for the city to sell real property. Under that statute, the city must hold a public hearing concerning the sale prior to the sale of individual properties.

ORS 221.727 provides an alternative to ORS 221.725 and authorizes the city to establish a program and procedure for the sale of individual parcels of a class of city-owned real properties, after public hearing. The city may thereafter sell any parcel under that adopted procedure in lieu of the procedure under ORS 221.725 (Sale of real property by city).

Tie-In to Council Goals

Facilitate industrial development

Fiscal Information

Alternatives and Recommendation

Alternatives

The city council may choose to

- Adopt Resolution No. 2337
- Reject Resolution No. 2337

Recommended Action/Motion

Approve Resolution No. 2337

Submitted By:

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Mark Morgan