

# City Council Issue Summary

**Subject:** Public Hearing on a Resolution to Adopt a Procedure and Establish a Program for the Sale of a Class of City-Owned Property and Declaring such Class of Property Surplus to the City's Needs.

**Staff Member, Department:** Matt Stuart, Real Estate

**Meeting Date:** 12/6/2023

## Action(s) Required:

- |  |   |  |
|--|---|--|
| <input type="checkbox"/> Consent Agenda        | <input type="checkbox"/> Ordinance First Reading  | <input checked="" type="checkbox"/> Public Hearing |
| <input type="checkbox"/> Information/Direction | <input type="checkbox"/> Ordinance Second Reading | <input checked="" type="checkbox"/> Resolution     |
| <input type="checkbox"/> Motion                |   |  |

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## Recommended Motion:

I move to adopt the resolution establishing a procedure and program for the sale of two undeveloped tax lots along SE 9<sup>th</sup> Street: tax lots 181204A00100 and 181204A00103, a class of City-owned property, and to declare the lots as surplus to the City's needs.

## Issue / Council Decision & Discussion Points:

- Bend Code 1.50.040 requires that real property be declared surplus to the City's needs prior to sale.
- Standard sale procedures for selling real property are for Council to establish minimum terms, then list the property with the City's broker of record or accept bids for the property, or adopt a resolution establishing an alternate procedure for selling surplus real property.
- The proposed resolution would allow the City Manager or delegated staff to issue a request for proposal process without listing the property for sale with the City's broker of record, and allow Council to review all applicable proposals and make the final decision on any proposal.

## Background:



ORS 221.729 and Bend Code 1.50.040.J authorize the City of Bend to establish a program and procedure for the sale of a class of properties, after public hearing. Notice of this hearing was published at least 5 days prior to the hearing, on or before December 1, 2023, in compliance with ORS 221.729 and Bend Code 1.50.040.B

By the year 2030, the urban area population is expected to reach 123,574 persons with an expected increase to 184,754 persons by the year 2050. The notable growth in recent years is accompanied by increased challenges related to housing availability and affordability. Based on the City's most recent Housing Needs Analysis, Bend anticipates population growth of about 38,500 people by 2028, requiring nearly 16,700 new dwelling units. A need for a mix of housing types exists within the city limits, and the City of Bend wishes to encourage the development of housing by making the subject City-owned properties surplus to the City's needs and restricting the use of the properties to rental and owner-occupied housing. Rental and owner-occupied housing, including transitional housing services, will be defined to mean single-unit detached dwellings, accessory dwelling units, manufactured homes on individual lots, townhomes, duplexes, triplexes, quadplexes, micro-units, and single room occupancies, consistent with the permitted and conditional residential uses of Table 2.1.200 of the Bend Development Code.

This Resolution establishes a procedure for the sale of the individual lots under a single program, and declares the property surplus to the City's needs. The properties in consideration are: tax lots 181204A00100 and 181204A00103.

Proposals will be reviewed by the City Council and the City Council will make the final decision on any proposal. Evaluation criteria in the request for proposal will include:

- Proposer's ability to proceed with the proposed project, including financial capability to close within a reasonable time period and complete the proposed project and any required infrastructure.
- Offer price or other financial considerations in the proposal.
- A design and layout that provides a mix of housing and beneficial amenities such as increased accessibility and green building standards.
- Whether the proposed project provides a community benefit by meeting the City's housing needs and goals, promotes healthy community, and improves the property to the benefit of all City of Bend residents.

### **Budget and Financial Impacts:**

The City is the legal landowner, therefore proceeds from the sales will be recorded in the City's General Fund.

### **Community Outreach Process and Potential Impacts:**

In accordance with Bend Code 1.50.040.B and ORS 221.729, a notice of the hearing describing the property proposed for sale was published in the Bend Bulletin, a newspaper of general circulation in the City, on or before December 1, 2023, and mailed to all property owners within 500 feet of the subject property.

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**Department Director Review:** Matt Stuart

**Financial Review:** Samantha Nelson

**Legal Review:** Michael Selkirk

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**Attachments:**

- Resolution, including Legal Description and Tax Map
- Public Notice