

## IMPACT STATEMENT

**Legislation title:** Adopt the Disposition of City Real Property policy. (Resolution)

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### **Purpose of proposed legislation and background information:**

The Portland Property Management Committee (PPMC), proposed a policy to address concerns about the need for a more consistent and transparent process for how the City identifies and disposes of real property. This policy will establish consistent, city-wide guidelines for how City bureaus identify and dispose of real property that a City bureau determines is no longer required for their operations.

### **Describe the impact of this action on the overall program or project.**

The policy will allow:

- Ensure Citywide consistency in the excess and surplus real property identification, notification, and disposition process;
- Identify a standard process of soliciting public input and feedback on real property identified by a bureau as excess to the bureau's needs before authorizing the bureau to dispose of the property; and
- Provide opportunity for City Council to adequately consider alternative uses for excess real property.

The scope of the policy includes properties that have been deemed excess by bureaus following their internal review, approved by the bureau director, and authorized by the Commissioner-in-charge. The policy would apply to all real property owned by City of Portland, categorized into three groups.

Category 1 properties are real properties that have at least one characteristic identified from a list in the Disposition of City Real Property policy. The following are the steps involved in declaring Category 1 real property as surplus:

- Provide notice to other City bureaus, offices and Council office that the property is potentially available for acquisition.
- If no City bureau or office wants to acquire the property and the bureau still wants to declare the property surplus, the bureau will prepare an ordinance to take to City Council.

Category 2 properties are real properties that may be disposed for public purposes and follow process steps to allow other bureaus or offices the opportunity to identify any existing or required deed restrictions, property interests, easements or other conditions. PHB properties fall under this category and PDC has indicated a willingness to establish similar steps. The

requirements will help ensure City bureau needs are identified prior to PHB or PDC disposal of property through their established notice of funding availability (NOFA) and/or request for proposals (RFP) processes.

Category 3 properties are all other real properties – the main focus of this policy and community interest. The following are the steps involved in declaring Category 3 real property as surplus:

- Provide notice to other City bureaus, offices and Council office that the property is potentially available for acquisition.
- If no City bureau or office wants to acquire the property, the next level of notice goes out to the community. The policy provides 45 days for a Public Comment Period.
- If, after the Public Comment Period, the bureau still wants to declare the property surplus, the bureau will prepare an ordinance to take to City Council.
- The Council and bureaus will be able to consider community input in determining how to dispose of the property, and may include specific conditions for disposition in the ordinance declaring the property surplus.

**Financial and budgetary impacts:**

This legislation does not have specific financial and budgetary impacts. The BIBS Director will be assigning an existing staff person to serve as the City Real Property Coordinator.

**Community impacts and community involvement:**

Two meetings were held to share and discuss the draft Disposition of Real Property Process. The City presented the draft to the Public Involvement Advisory Council and to the Neighborhood Coalition Directors and Chairs group. In addition, the Office of Neighborhood Involvement established a website for community members to get information about the policy, and provide contact information to provide comments and submit suggestions. Augmenting this outreach, an online survey was developed with questions regarding the major elements of the process. The City revised the policy based on community input, incorporating many of their suggestions. These included:

- Including all properties in the policy – establishing three categories with different process steps, as described above.
- Replacing the requirement to place a notice in the newspaper with a requirement to mail notice to surrounding property owners.
- Extended the Public Comment Period from 30 days to 45. Added requirement that the Council hearing on any ordinance declaring a property surplus could not be heard until at least 15 days after the Public Comment Period, with notice two weeks in advance.
- Added clarifications on what would be included in ordinances.
- Clarified that Council could require additional conditions and terms for property dispositions and could direct bureaus on how the property should be disposed of.

The policy does not include specific criteria for prioritizing the sale of properties to community non-profits and/or for uses that would have community benefits. Since each property is unique, the policy reserves this decision for the City Council to make for each property, based on the site-specific public input that will be received from the community during the Public Comment

Period for each property. Council discretion is also reserved for determining the appropriate sales price and sales method.

**Budgetary Impact Worksheet**

**Does this action change appropriations?**

- YES:** Please complete the information below.
- NO:** Skip this section

<b>Fund</b>	<b>Fund Center</b>	<b>Commitment Item</b>	<b>Functional Area</b>	<b>Funded Program</b>	<b>Grant</b>	<b>Sponsored Program</b>	<b>Amount</b>