

**Enrolled**  
**Senate Bill 887**

Sponsored by Senator RINGO, Representative GREENLICK; Representatives AVAKIAN, BRUUN,  
FLORES, GARRARD, HUNT, KITTS, KRUMMEL, OLSON

CHAPTER .....

AN ACT

Relating to annexations by cities; creating new provisions; amending section 10, chapter 737, Oregon Laws 1987; and declaring an emergency.

**Be It Enacted by the People of the State of Oregon:**

**SECTION 1. The City of Beaverton may not annex territory as provided in ORS 222.750 and, notwithstanding any charter provision to the contrary, the City of Beaverton may not annex territory in any manner that does not require the city to obtain approval of the residents of or the property owners in the territory.**

**SECTION 2. Section 3 of this 2005 Act is added to and made a part of ORS 195.205 to 195.225.**

**SECTION 3. (1) Notwithstanding ORS 195.205 (5), when the governing body of a city proceeds with an annexation plan, the governing body shall cause the annexation plan to be submitted only to the electors of the territory proposed to be annexed under the annexation plan at a general election or at a special election held for that purpose.**

**(2) Notwithstanding ORS 195.215 (1), the governing body of the city shall determine the results of the election from the official figures returned by the county clerk. If the governing body of the city finds that a majority of the votes cast in the territory favor the annexation plan, the governing body, by resolution or ordinance, shall proclaim the adoption of the annexation plan. The proclamation declaring approval of the annexation plan shall contain a legal description of each territory annexed.**

**(3) Notwithstanding ORS 195.225 (4), after a local government boundary commission reviews an annexation plan proposed by the governing body of a city, the governing body of the city shall submit the annexation plan to the electors of the territory proposed to be annexed as provided in subsection (1) of this section.**

**SECTION 4. (1) The Joint Legislative Committee on Land Use, or another appropriate interim legislative committee, shall consider and may propose legislation on the following issues:**

**(a) Alternatives to the statutory authority for annexation of territory by a city pursuant to ORS 195.205 to 195.225, 222.111 to 222.180, 222.750 or 222.840 to 222.915 and annexations in an area with a local government boundary commission pursuant to ORS 199.410 to 199.534.**

**(b) Possible changes in statutory authority designed to enhance the long-term economic health and vitality of Oregon's communities.**

(2) The committee may encourage the formation of an informal work group to assist the committee in arriving at a consensus regarding viable recommendations. A work group formed pursuant to this section shall include, at a minimum, representatives of:

- (a) The League of Oregon Cities;
- (b) The Association of Oregon Counties;
- (c) Special districts;
- (d) Developers;
- (e) Financial institutions;
- (f) Conservation or environmental groups;
- (g) Business organizations; and
- (h) Neighborhood associations organized in unincorporated areas.

(3) The committee may file a proposed legislative measure for pre-session filing on or before December 15, 2006, pursuant to ORS 171.130.

**SECTION 5.** (1) Notwithstanding any provision of ORS 195.205 to 195.225, 199.410 to 199.534, 222.111 to 222.180, 222.750 and 222.840 to 222.915, property described in subsection (2) or (3) of this section may not be annexed by or to a city unless the city receives consent to the annexation from the owner of the property in the form of a petition for annexation.

(2) Property for which annexation is limited by subsection (1) of this section is property:

(a) That is composed of one or more lots, parcels or tracts that:

(A) Are owned by the same individual or entity, including an affiliate or subsidiary of the entity;

(B) Are contiguous or are separated from each other only by a public right of way, a stream, a bay, a lake or another body of water; and

(C) Together comprise at least 150 acres;

(b) On which no electors reside;

(c) That was zoned for industrial, employment or transit-oriented employment uses on December 31, 2004;

(d) That has private, on-premises security services; and

(e) That has an assessed valuation, including improvements, of more than \$12 million.

(3) Subsection (1) of this section applies to a lot, parcel or tract that is owned by the same individual or entity, including an affiliate or a subsidiary of the entity, that owns the property described in subsection (2)(a) of this section if the lot, parcel or tract:

(a) Is within two miles of the property described in subsection (2)(a) of this section; and

(b) Contains 10 or more acres that are contiguous or separated from each other only by a public right of way, a stream, a bay, a lake or another body of water.

(4) A city may not obtain approval of an owner for annexation under this section by requiring or requesting that the owner waive remonstrance or agree to annexation in order to receive utility service or other city services located in the city right of way at the same price the city charges an owner of similar property that is within the city.

**SECTION 6.** An area of land within the urban growth boundary of the metropolitan service district established in the Portland metropolitan area may not be annexed under ORS 222.750 if:

(1) The area of land is larger than seven acres and is zoned for industrial use;

(2) The land is owned by an Oregon-based business entity that has been in continuous operation, either directly or through a predecessor, for at least 60 years; and

(3) The business entity employs more than 500 individuals on the land.

**SECTION 7.** An area of land within the urban growth boundary of the metropolitan service district established in the Portland metropolitan area may not be annexed under ORS 222.750 if:

(1) The area of land is larger than 14 acres and is zoned for industrial use;

(2) The land is owned by an Oregon-based business entity that has been in continuous operation on a portion of the land for at least 40 years; and

**(3) The business entity employs more than 300 individuals on the land.**

**SECTION 8.** Section 10, chapter 737, Oregon Laws 1987, as amended by section 1, chapter 226, Oregon Laws 1989, and section 1, chapter 226, Oregon Laws 1997, is amended to read:

**Sec. 10.** Section 3, chapter 737, Oregon Laws 1987, is repealed on [July 1, 2009] **June 30, 2035.**

**SECTION 9.** (1) **Section 3 of this 2005 Act applies to an election conducted on or after the effective date of this 2005 Act and before January 2, 2008.**

(2) **Sections 5, 6 and 7 of this 2005 Act apply to an annexation of territory approved on or after March 1, 2005, and to an annexation of territory proposed on or after the effective date of this 2005 Act.**

**SECTION 10.** Sections 1, 3 and 4 of this 2005 Act are repealed on **January 2, 2008.**

**SECTION 11.** (1) Sections 5, 6 and 7 of this 2005 Act are repealed on **June 30, 2035.**

(2) **Notwithstanding subsection (1) of this section, unless this section is amended, sections 5 and 6 of this 2005 Act are repealed five years after June 30, 2035.**

**SECTION 12.** This 2005 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2005 Act takes effect on its passage.

Passed by Senate April 19, 2005

Received by Governor:

Repassed by Senate August 1, 2005

.....M.,....., 2005

Approved:

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Secretary of Senate

.....M.,....., 2005

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President of Senate

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Governor

Passed by House June 17, 2005

Filed in Office of Secretary of State:

Repassed by House August 2, 2005

.....M.,....., 2005

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Speaker of House

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Secretary of State