

1 **RESOLUTION NO. 2024-13**

2  
3 A RESOLUTION OF THE CITY OF LINCOLN CITY AMENDING RESOLUTION  
4 2023-01 FOR A TIME EXTENSION AUTHORIZING AND DIRECTING  
5 DISPOSITION OF CITY REAL PROPERTY TO NORTHWEST COASTAL HOUSING  
6 FOR TINY HOME DEVELOPMENT  
7

8 **RECITALS**

- 9
- 10 A. The City owns real property east of NE Keel Avenue and NE 10th Street  
11 Intersection in Lincoln City, Oregon, consisting of City-owned Tax lot 07-11-10-  
12 DD-12300-00 [R299582] and associated immediately adjacent vacated right-of-  
13 way, if any, [adjacent to Coast Vineyard Church 1505 NE 6TH DR], being more  
14 particularly described and shown in Exhibit A attached hereto and made a part  
15 hereof by this reference.  
16
- 17 B. On January 23, 2023, the Lincoln City City Council, at the Council Chambers at  
18 801 SW Highway 101, Lincoln City, Oregon conducted an advertised public  
19 hearing on the proposed sale / conveyance of the subject property pursuant  
20 to ORS 221.725, ORS 271.310 and ORS 271.330.  
21
- 22 C. The advertised purpose of the conveyance / sale, and the reason the City  
23 Council finds it necessary or convenient to sell the property, to the domestic  
24 non-profit organization "Northwest Coastal Housing" is the City Council's  
25 desire to provide affordable housing (Tiny home development) to the City of  
26 Lincoln City's homeless population, including wildfire victims.  
27
- 28 D. The nature of the sale / conveyance was advertised as a conveyance to a  
29 domestic non-profit corporation of a \$154,050.00 City-owned property with  
30 a deed restriction (*fee simple determinable*) that the property must be used  
31 for income restricted tiny home project consistent with Dev REV 2023-01, to  
32 benefit the City's homeless population, – and if not, the property  
33 automatically reverts to the City. As additional security, the City shall retain a  
34 note, guaranty and trust deed for the purchase price (property value) of  
35 \$154,050 and require an annual payment of +/- \$15,000,00 per year which  
36 payment shall be waived annually if the non-profit entity operates an income  
37 restricted tiny home project on the subject property meeting the  
38 development approval [DEV REV 2023-01] requirements and income  
39 restrictions. Operator will also be required to apply income restrictions, stay

1 current on any City or Urban Renewal loans, and maintain not-for profit  
2 status.

3  
4 E. The January 23, 2023 City Council Public Hearing and Resolution staff reports,  
5 including findings included therein, are incorporated herein by this reference. All  
6 evidence of market value was fully disclosed and entered into the record at the  
7 public hearing on January 23, 2023.

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9 F. Pursuant to ORS 221.725, any resident of the City was provided with an  
10 opportunity to present oral or written testimony on the subject of the sale to the  
11 City Council at the public hearing.

12  
13 G. After hearing the staff report and public input, Council closed the hearing and  
14 record. On January 23, 2023, after due deliberation, Council made the findings of  
15 fact set forth herein and directed the sale / conveyance of the real property with  
16 the conditions identified in the staff report and this Resolution.

17  
18 H. The findings included that "Closing shall occur within 90 days or this authorization  
19 of this Resolution shall be null and void." Grant-funded pre-development evaluation,  
20 testing, and asbestos abatement will be completed by June 30, 2024. This  
21 amendment to Resolution 2023-01 extends the time to complete closing to  
22 December 31, 2024 and corrects Exhibit A – Legal Description.

23  
24 **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF**  
25 **LINCOLN CITY, AS FOLLOWS:**

26  
27 **SECTION 1. RECITALS.** The above recitals are true and correct and are  
28 incorporated herein by this reference.

29  
30 **SECTION 2. FINDINGS.**

31  
32 The Council finds and determines that the relevant statutory criteria for disposition  
33 of City real property are found in or referenced in ORS Chapter 271 (specifically ORS  
34 271.310 and ORS 271.330) as well as ORS 221.725.

35  
36 **ORS 271.310. Transfer or lease of real property owned or controlled**  
37 **by political subdivision; Procedure in case of qualified title.**

38  
39 (1) Except as provided in subsection (2) of this section, whenever any  
40 political subdivision possesses or controls real property not needed for

1 public use, or whenever the public interest may be furthered, a political  
2 subdivision may sell, exchange, convey or lease for any period not  
3 exceeding 99 years all or any part of their interest in the property to a  
4 governmental body or private individual or corporation. The  
5 consideration for the transfer or lease may be cash or real property, or  
6 both.

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8 \*\*\*

9  
10 (4) Unless the governing body of a political subdivision determines under  
11 subsection (1) of this section that the public interest may be furthered,  
12 real property needed for public use by any political subdivision owning or  
13 controlling the property shall not be sold, exchanged, leased or conveyed  
14 under the authority of ORS 271.300 to 271.360, except that it may be  
15 exchanged for property which is of equal or superior useful value for  
16 public use. Any such property not immediately needed for public use may  
17 be leased if, in the discretion of the governing body having control of the  
18 property, it will not be needed for public use within the period of the  
19 lease.

20  
21 **271.330 Relinquishing title of property not needed for public use.**

22  
23 \* \* \*

24  
25 (2)(a) Any political subdivision is granted express power to relinquish the  
26 title to any of the political subdivision's property to a qualifying nonprofit  
27 corporation or a municipal corporation for the purpose of providing any of the  
28 following:

29 (A) Low income housing;

30 (B) Social services; or

31 (C) Child care services.

32 (b) As used in this subsection:

33 (A) "Qualifying nonprofit corporation" means a corporation that is a public  
34 benefit corporation as defined in ORS 65.001 (35) and that has obtained a  
35 ruling from the federal Internal Revenue Service providing that the corporation  
36 is exempt from federal income taxes under section 501(c)(3) of the Internal  
37 Revenue Code.

38 (B) "Social services" and "child care services" include but are not limited to  
39 education, training, counseling, health and mental health services and the

1 provision of facilities and administrative services to support social services and  
2 child care services.

3  
4 **221.725 Sale of city real property; publication of notice; public hearing.**

5  
6 (1) Except as provided in ORS 221.727, when a city council considers it  
7 necessary or convenient to sell real property or any interest therein, the city  
8 council shall publish a notice of the proposed sale in a newspaper of general  
9 circulation in the city, and shall hold a public hearing concerning the sale prior  
10 to the sale.

11 (2) The notice required by subsection (1) of this section shall be published  
12 at least once during the week prior to the public hearing required under this  
13 section. The notice shall state the time and place of the public hearing, a  
14 description of the property or interest to be sold, the proposed uses for the  
15 property and the reasons why the city council considers it necessary or  
16 convenient to sell the property. Proof of publication of the notice may be  
17 made as provided by ORS 193.070.

18 (3) Not earlier than five days after publication of the notice, the public  
19 hearing concerning the sale shall be held at the time and place stated in the  
20 notice. Nothing in this section prevents a city council from holding the hearing  
21 at any regular or special meeting of the city council as part of its regular  
22 agenda.

23 (4) The nature of the proposed sale and the general terms thereof,  
24 including an appraisal or other evidence of the market value of the property,  
25 shall be fully disclosed by the city council at the public hearing. Any resident of  
26 the city shall be given an opportunity to present written or oral testimony at  
27 the hearing.

28 (5) As used in this section and ORS 221.727, "sale" includes a lease-option  
29 agreement under which the lessee has the right to buy the leased real property  
30 in accordance with the terms specified in the agreement.

31  
32 The Council finds that it has received all information necessary to make a decision,  
33 based on the Staff Report, public hearing testimony and the exhibits and evidence  
34 received. The Staff Report and the findings therein are specifically incorporated herein  
35 by this reference.

36  
37 The Council finds and determines that this proposal to sell / convey the subject property  
38 to "Northwest Coastal Housing," a "Qualifying non-profit corporation", with the imposition  
39 of conditions as noted herein, meets all applicable statutory minimum criteria for  
40 eligibility to sell real property, as more fully set forth herein. Further the City Council

1 finds and determines that the proposed disposition of real property, with conditions, is  
2 deemed "necessary or convenient" to the City, and "furthers the public interest" as the  
3 sale will further the City Council's desire to provide affordable housing options to the City  
4 of Lincoln City's homeless population, including fire victims. The property shall be income  
5 restricted consistent with 271.330(2)(a) A. No vacation rental or vacation home use is  
6 authorized. The Council further finds and determines that the property identified herein is  
7 not necessary for City use. The findings herein are supported by competent substantial  
8 evidence in the whole record, incorporated herein by this reference.

9  
10 **SECTION 3. ORDER.** Based on the above Findings set forth or incorporated herein  
11 and based upon the evidence in the whole record, the City Council hereby  
12 approves and directs the sale / conveyance of the subject property to Northwest  
13 Coastal Housing, subject to all identified conditions, included or referenced herein  
14 (e.g. Staff Report conditions, (1) deed restriction (2) forgivable promissory note (3)  
15 guaranty (4) trust deed). The real property sale / conveyance is delegated to the  
16 City Manager and City Attorney who are authorized to execute such purchase and  
17 sale agreements, contracts, security instruments (trust deed, guaranty and note),  
18 deeds restrictions and covenants and other documents necessary to complete the  
19 sale / conveyance. The City Attorney must approve all documents as to form. The  
20 Manager is expressly delegated the authority to sign documents for the City. The  
21 Manager and Attorney are authorized to expend funds necessary to effectuate the  
22 sale/conveyance, including but not limited to purchase of real estate and title  
23 company services and products. When not specifically allocated to a party, closing  
24 costs are split between the parties. Closing shall occur on or before December 31,  
25 2024, or this authorization of this Resolution shall be null and void. The  
26 sale/conveyance is subject to final land use approval, including all appeals. The real  
27 property sale is, as is, and subject to all encumbrances of record.

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29 **SECTION 4. EFFECTIVE DATE.** This resolution is effective as of the date of its  
30 adoption and signature by the Mayor.

31  
32 PASSED AND ADOPTED by the City Council of the City of Lincoln City this 10<sup>th</sup> day of  
33 June, 2024.

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36 \_\_\_\_\_  
37 SUSAN WAHLKE, MAYOR

38  
39 ATTEST:

1 *Jamie Young*

2 \_\_\_\_\_  
3 JAMIE YOUNG, CITY RECORDER

4  
5 APPROVED AS TO FORM:

6  
7 *David James Robinson*

8 \_\_\_\_\_  
9 DAVID JAMES ROBINSON, CITY ATTORNEY

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EXHIBIT A  
LEGAL DESCRIPTION

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LOTS 6 and 7, Block 37, RAYMOND TOWNSITE, in the County of Lincoln and State of Oregon, TOGETHER WITH that portion of vacated Brookside Street that inured thereto by reason of Vacation Ordinance No. 68 recorded February 20, 1950 in Book 137, Page 76 Lincoln County records.