May 2, 2019

Senator Floyd Prozanski, Chair
Senate Committee on Judiciary
900 Court Street, NE
Salem, OR 97301

RE: City of Eugene Support for HB 2285-relating to receivership

Chair Prozanski and Members of the Committee:

The City of Eugene SUPPORTS the passage of HB 2285, as it is intended to help local governments deal with "zombie properties" – properties where the owner can't pay the mortgage and has abandoned the property, but it has not yet been foreclosed and resold.

Often, it isn't clear for years who the owner of the property actually is. The process of foreclosure can take years, and it is the City of Eugene's experience that the owning banks nor mortgage companies do not maintain the property until the foreclosure is final. Additionally, we find that with many banks or mortgage companies, that communication with city officials related to nuisance complaints or code violations is minimal or non-existent. This can result in properties that look awful and may become a health hazard.

These 'zombie properties' are also attractive to squatters and, again the experience from the Eugene Police Department, shows that they encourage criminal activity. As we are working through the housing shortage in Oregon, this bill will assist in getting these properties back to livability and habitation standards.

HB 2285 makes it easier and more streamlined to be able to abate those properties – even when it's not entirely clear (as it often isn't) who the owner really is. We view this bill as a good step in assisting the city in these matters. As an alternative to formal receivership, the bill also allows cities, with the court's permission, to make the decision to directly abate the property and place a first-priority lien for the costs of abatement on the property. This is another tool to assist cities in our work to assist in increasing the number of housing units available for occupancy.

Please support HB2285 with a DO PASS recommendation.

Sincerely,
Submitted electronically

Ethan Nelson
Intergovernmental Relations Manager