

**ORDINANCE NO. 1958**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MILWAUKIE, OREGON, AMENDING MILWAUKIE MUNICIPAL CODE TITLE 3—SUBCHAPTER 3.20 RELATING TO THE ANNUAL LEVY OF THE CITY'S PERMANENT RATE BY REQUIRING A FURTHER REDUCTION OF THE ANNUAL LEVY AND DECLARING AN EMERGENCY.**

**WHEREAS**, on May 17, 2005 the electors approved Ballot Measure 3-166 (Measure), which authorized annexation of the City by Clackamas Fire District No. 1 (CFD1) effective July 1, 2005; and

**WHEREAS**, the Measure, if approved, required that the City "reduce [its] tax certification to prevent [a] tax increase;" and

**WHEREAS**, the Explanatory Statement" filed with the Measure stated that the result of an approval "is that total property tax rates of the City and CFD1 within the City will not change;" and

**WHEREAS**, approval of the Measure included the addition of Title 3—Subchapter 3.20 to the Municipal Code, which provided a process by which the City's maximum permanent rate would be reduced in order to meet the commitment to ensure that the combined rate of the City and CFD1 would not change upon annexation unless otherwise approved by the voters; and

**WHEREAS**, upon annexation the CFD1 levy for bonded debt for Oak Lodge Fire District No. 51, General Obligation Bonds, Series 1995 and Clackamas County Fire District No. 1, General Obligation Bonds, Series 2001, was properly extended to the area within the City; and

**WHEREAS**, the levy for bonded was mistakenly not anticipated in the annexation planning and resulted in a combined levy higher than that which was anticipated; and

**WHEREAS**, the City has indicated its intention to take action to meet the commitment made as outlined above;

**NOW, THEREFORE, THE CITY OF MILWAUKIE DOES ORDAIN AS FOLLOWS:**

Section 1. Milwaukie Municipal Code Title 3—Subchapter 3.20 is amended to read as follows:

1. All territory within the City of Milwaukie is annexed to Clackamas Fire District No. 1 effective July 1, 2005.
2. Except as provided in Section 4 below, in order to avoid an overall property tax increase on property within the City, the City shall adjust the property tax rate it certifies annually to the County by reducing the City tax rate by 2.4012 per \$1,000 of assessed valuation for any year in which property within the City is required to pay property tax to CFD1.

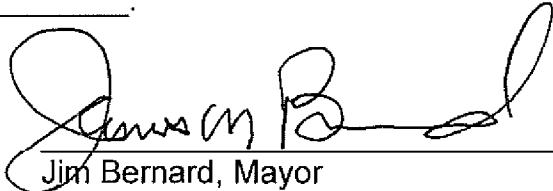
3. Except as provided in Section 4 below, in order to avoid an overall property tax increase on property within the City, the City shall adjust the property tax rate it certifies annually by an additional adjustment for property tax levied by CFD1 for bonded debt for Oak Lodge Fire District No. 51, General Obligation Bonds, Series 1995 and Clackamas County Fire District No. 1, General Obligation Bonds, Series 2001. The adjustment shall be determined by calculating the amount levied on property within the City for that bonded debt and reducing the property tax rate it certifies in the subsequent fiscal year by the rate required during the subsequent fiscal year to compensate for the amount paid the previous year.
4. The City may certify a property tax rate higher than the rate resulting from application of Sections 2 and 3 only if the voters approve the higher tax rate.

Section 2. In the interest of the public and good governance this ordinance takes effect immediately upon passage.

Read the first time on February 21, 2006, and moved to second reading b by a unanimously vote of the City Council.

Read the second time and adopted by the City Council on 2/21/06

Signed by the Mayor on 2/21/06.

  
Jim Bernard, Mayor

ATTEST:

APPROVED AS TO FORM:  
Ramis, Crew, & Corrigan, LLP

  
Pat DuVal, City Recorder

  
City Attorney