

# **CITY OF OREGON CITY**

## **COMMUNITY DEVELOPMENT DEPARTMENT**

320 WARNER MILNE ROAD  
TEL 657-0891

OREGON CITY, OREGON 97045  
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# **KYENNE**



## **AGENDA**

**City Commission Chambers City Hall  
January 12, 2000 at 7:30 P.M.**

### **JOINT CITY COMMISSION / PLANNING COMMISSION WORKSESSION**

- |           |    |  |                                |
|-----------|----|--|--------------------------------|
| 7:30 p.m. | 1. | <b>CALL TO ORDER</b>   | <b>JOINT WORKSESSION</b>       |
| 7:35 p.m. | 2. | <b>WORKSESSION I :</b>   | <b>REIMBURSEMENT DISTRICTS</b> |
| 8:15 p.m. | 3. | <b>WORKSESSION II :</b>  | <b>PARTITIONS</b>              |
| 8:55 p.m. | 4. | <b>ADJOURN JOINT CITY COMMISSION / PLANNING COMMISSION<br/>WORKSESSION</b> |                                |
|           |    |  |                                |
| 9:00 p.m. | 5. | <b>CALL TO ORDER PLANNING COMMISSION WORKSESSION</b>                       |                                |
| 9:05 p.m. | 6. | <b>PLANNING COMMISSION WORK PROGRAM</b>                                    |                                |
| 9:35 p.m. | 7. | <b>DRAFT PLANNING COMMISSION BY-LAWS</b>                                   |                                |
| 9:55 p.m. | 8. | <b>ADJOURN PLANNING COMMISSION WORKSESSION</b>                             |                                |

**NOTE: HEARING TIME AS NOTED ABOVE IS TENTATIVE. FOR SPECIAL ASSISTANCE DUE TO DISABILITY, PLEASE CALL CITY HALL, 657-0891, 48 HOURS PRIOR TO MEETING DATE.**

**AN ORDINANCE REPEALING TITLE 3: REVENUE AND  
FINANCE, CHAPTER 3.20: FINANCING OF LOCAL  
IMPROVEMENTS, OF THE OREGON CITY MUNICIPAL CODE  
OF 1991 AND ENACTING A NEW TITLE 3: REVENUE AND  
FINANCE, CHAPTER 3.20: REIMBURSEMENT DISTRICTS**

**PURPOSE**

- Repeal Existing Advance Finance District Language, Chapter 3.20, That Violates Provisions of Measure 5
- Enact New Language for Reimbursement District, Chapter 3.20

**HISTORY**

- City Has Not Used Current Code Since Measure 5 Passed
- Many Development Applicants Desire a Form of Reimbursement for Public Improvements That Benefit Others
- City Also Desires This Form of Reimbursement
- New Language Provides Means for Affected Property Owners to Submit Written Objections. If Two-Thirds of Owners in Proposed Reimbursement District Object, Then Proceedings Stop for at Least Six Months
- Existing Code Has No Such Provision for Stopping the Proceedings

**TIMELINE**

- Planning Commission/City Commission Worksession – Jan 12
- Planning Commission Review and Comment – Jan 24
- Ordinance to City Commission – Feb 2

**STAFF CONTACT: Bob Cullison, Engineering Manager, 657-0891**

3.20.100      Petition for Relief

3.20.110      Administration

3.20.010      Purpose.

The purpose of this chapter is to provide a method to reimburse a person or the City who finances the construction of a public improvement that has the capacity to serve development other than that for which it is built. The person financing the development must be deemed to pay a whole or disproportionately large part of the improvement. This chapter is intended to mitigate the cost of financing such public improvements by distributing some of its costs to other development that benefits from such public improvements when the benefited development makes use of the improvements.

The charge paid by the benefited property should be proportional to the use the benefited property makes of the public improvement. This chapter provides developers with a mechanism that may be used solely to finance capital construction needs of the City.

3.20.020      Obligation.

Nothing in this chapter shall be construed to oblige the City to use the provisions herein to construct improvements or collect reimbursement charges on behalf of persons or the City who use the provisions herein.

3.20.030      Definitions.

A. "Administrative fee" means the amount of money charged by the City for the costs of administering this ordinance, including, but not limited to, producing the City Engineer's Report, public meeting support, other personnel costs, mailing fees, legal fees and the costs to account, track and assess reimbursement charges to future development.

B. "Development" occurs when a structure or other use of land connects to or otherwise makes use of a sewer, water, stormwater or street improvement. As used in this chapter, "makes use of a stormwater improvement," means activities sufficient to trigger the requirements of Chapter 13.12.050. As used in this chapter, "makes use of a street improvement" means the construction or installation of an improvement or a change in the use of a property that increases traffic or congestion on the street improvement for which the reimbursement district is formed.

C. "LGIP" means Local Government Investment Pool.

D. "Person" is a natural person, the person's heirs, executors, administrators or assigns; a firm, partnership, corporation, association or legal entity, its successors or assigns; any agent, employee or any representative thereof or any other legal entity, including the City of Oregon City.

E. "Public Improvement" means either any or all of the following: a street, stormwater, sewer or water improvement that will be dedicated to and accepted by the City.

property, except as noted in 3.20.050 D.6, of the person or the City financing the improvement in order to provide future service to other development without the need to reconstruct the item, or construct additional, deeper, or parallel items.

K. "Street improvement" is a street improvement conforming to City standards and including, but not limited to:

1. Streets, stormwater facilities as defined in Chapter 13.12.040 in conjunction with streets, curbs, gutters, sidewalks, bike and pedestrian pathways, traffic control devices, street trees, lights, parking structures, signs, and public right-of-way or easement acquisition;

2. Street extensions across frontages other than the person financing the improvement;

3. Fifty-percent of the full street improvement widths, curb to curb, as set forth below;

- a. Residential zones (R-10, R-8, R-6, R-6/MH, RD-4, RA-2) have a minimum street width of 32 feet curb to curb.

- b. Commercial zones (C, TC, LOC, LO, NC, LC) have a minimum street width of 38 feet curb to curb.

- c. Industrial zones (M-1, Campus, M-2) have a minimum street width of 38 feet curb to curb.

and

4. The portion of a half-street improvement across the frontage of the person financing the improvement that exceeds 50 percent of the widths in 3. a-c.

L. "Stormwater conveyance" is piping, ditching or pumping systems for moving stormwater from one point to another point.

M. "Stormwater improvement" is a stormwater conveyance, quantity, or quality facility, as defined in section 13.12.040, other than that described in section 3.20.050(D)(6), conforming to City standards, including, but not limited to:

1. Extension of a stormwater line to property other than that owned by the person financing the improvement so that stormwater services can be provided to development on that property without further extension of the line;

2. Construction of a stormwater facility larger, deeper, or of greater capacity than necessary to serve the property of the person financing the improvement in order to provide future service to other development without the need to reconstruct the facility, or the construction of additional, deeper, or parallel facilities;

3. A stormwater quantity facility with sufficient designed capacity to serve upstream

3. A map showing the area proposed to be included in the proposed reimbursement district and indicating the following information:

a. The comprehensive plan designation, and zoning for each property in the proposed reimbursement district;

b. The frontage length and square footage of each property within the proposed reimbursement district, or other similar data necessary for calculating the apportionment of the costs; and

c. Identification of the properties owned by the person applying for the reimbursement district;

4. Mailing labels for notice to all parties entitled under section 3.20.060 to receive mailed notice of the application. The person applying for the reimbursement district shall use the names and addresses of property owners within the notice area indicated on the most recent property tax roll. This may require the person applying for the reimbursement district to resubmit additional labels depending on the final City Engineer Report recommendations.

5. A proposed methodology for calculating costs to future development in the reimbursement district. The City Engineer may be able to provide possible methodologies to the person applying for the reimbursement district, however, use of a methodology suggested by the City Engineer shall not guarantee approval of either the methodology or the reimbursement district;

6. The estimated cost of the public improvement to be reimbursed as evidenced by bids, projections of the cost of labor and materials, or other evidence satisfactory to the City Engineer; and

7. The date the public improvement is estimated to be complete.

D. The initial application for formation of a reimbursement district shall be made before City approval of specific Reimbursement District portions of construction plans and authorization to proceed with the construction of the portions of street, water, sewer, or stormwater improvements. The person or the City applying for the reimbursement district may proceed at their own risk with the construction of the public improvements prior to the City Commission authorizing the reimbursement district. The city staff or City Commission may abandon the proceedings per section 3.20.060 or the City Commission may not authorize or authorize in full the reimbursement district. In these cases, the person or the City applying for the reimbursement district shall be responsible for the full cost of the subject public improvement or for such cost differential not provided for in such authorization.

E. If the person applying for the reimbursement district desires to reapply after the reimbursement district proceedings are abandoned under section 3.20.060, that person shall submit a reapplication and processing fee as established by resolution of the city commission.

3.20.050 City Engineer's report.

E. States the estimated administrative fee and includes a recommendation on whether the City Commission should alter late fees on reimbursement charges that are not paid within thirty (30) calendar days of the date the reimbursement charge is imposed.

F. Recommends a just and reasonable methodology for allocating the cost of the public improvement to future development in the reimbursement district. The methodology shall consider, as relevant, the cost of the public improvement, contributions by property owners, the value of the unused capacity, the benefit the unused capacity will have to future development, rate-making principles employed to finance public improvements and any other factors deemed relevant by the City Engineer.

G. Recommends the amount to be charged by the City for administration of the agreement between the City and the person applying for the reimbursement district. The administrative fee shall be fixed by the city commission and shall be included in the resolution approving and forming the reimbursement district.

3.20.060      Establishing the reimbursement district.

A. The city commission shall hold a public hearing on the proposed reimbursement district, at which time any person may comment on the proposal.

B. If prior to or during the public hearing, written objections are received from persons who own two-thirds or more of the area proposed to be included in the reimbursement district, then the proceedings to create a reimbursement district shall be abandoned. If reimbursement district proceedings are abandoned, the property within the area proposed to be included in the reimbursement district shall not be subject to a reapplication for a reimbursement district for at least three months. Three months shall begin on the date the City receives the final written objection totaling above the two-thirds or more ownership of the proposed reimbursement district. Abandonment of a reimbursement district shall not preclude persons from submitting applications requesting formation of other reimbursement districts for other public improvements.

C. Following the public hearing, if the City does not receive sufficient objections as described in subsection (B) above, the City Commission shall have the sole discretion to decide whether a resolution approving and forming the reimbursement district shall be adopted.

D. The City shall provide mailed notice of the public hearing on the proposal to the person applying for the reimbursement district and all owners of property within the proposed district as recommended by the City Engineer's Report. Notice shall be deemed effective on the date of mailing. Failure of any person to receive the notice shall not invalidate or otherwise affect the public hearing or the formation of the reimbursement district. Notice of the hearing shall be mailed by regular mail at least 14 calendar days before the date of the hearing. The notice shall:

1. State that a reimbursement district under this chapter has been proposed and that the proposed district includes the property or residence of the person receiving notice;
2. Briefly describe the reimbursement district, the street, water, sewer or stormwater

G. Any legal action intended to contest the formation of the reimbursement district shall be filed within 60 calendar days following adoption of the resolution establishing the reimbursement district.

3.20.070 Reimbursement charge.

A. After the project is completed, the person applying for the reimbursement district shall submit to the City Engineer the final costs of the public improvement and such supporting material as deemed necessary by the City Engineer to evaluate compliance with this Chapter. The City Engineer shall then prepare a proposed final reimbursement resolution that identifies:

1. The actual reimbursement charge for future development in the reimbursement district; and
2. The late fees, if different from that imposed by this chapter, that shall be imposed and collected if the reimbursement charge is not paid within thirty calendar days of the date the reimbursement charge is imposed.

B. The City shall provide mailed notice of the proposed final reimbursement resolution to the person applying for the reimbursement district and all residents and owners of property within the reimbursement district. Notice shall be deemed effective on the date of mailing. Notice shall be mailed by regular mail at least 14 calendar days before the date of the City Commission's action on the reimbursement resolution. The notice shall set forth:

1. The time, date, and place of the City Commission's action;
2. The amount of the final reimbursement charges for future development;
3. The interest rate for future installment payments as described in section 3.20.090(C).

C. The City Engineer shall submit the final costs and the proposed final reimbursement resolution to the City Commission for approval. The City Commission may approve the proposed final reimbursement resolution or adjust the reimbursement charges, costs and late fees, if they are not deemed just and reasonable, and adopt a final reimbursement resolution accordingly. If the final reimbursement resolution or any action necessary for the adoption of such a resolution is adjudged invalid, in whole or in part, by an agency or court of competent jurisdiction, the City may take such action as is necessary to provide for the imposition and collection of the costs of the administration of the reimbursement district, including the City's costs in defending the same, from the person applying for the reimbursement district.

D. The City shall notify all residents and property owners within the reimbursement district and the person applying for the reimbursement district of the adoption of a final reimbursement resolution. The notice shall be mailed by regular mail and shall be effective on the day of mailing. The notice shall include a copy of the reimbursement resolution, the date it was adopted, and a short explanation of when a developer is obligated to pay a reimbursement charge and the amount of the charge, including late fees, if applicable.

D. If the reimbursement charge is paid in installments, a late fee of 1.5% of the overdue payment per month may be assessed for any late payments. The amount of the late fees may be altered by City Commission resolution.

3.20.100      Petition for Relief

A person subject to a reimbursement charge may petition the city commission for relief from the payment of the charge. Such relief may be granted by the city commission only in extraordinary circumstances when payment of the reimbursement charge would be inequitable or otherwise unlawful. A petition under this section is a mandatory administrative step required before any party may seek redress through the court system. A petition for relief must be filed within fourteen days of the date the charge is imposed and must explain how the charge is inequitable or otherwise unlawful and it must set forth with particularity the grounds for relief. In response to a properly filed petition for relief, the city commission may hold an evidentiary hearing and shall issue a decision in writing, which shall be final when signed by the mayor. The City shall withhold the issuance of building permits and all other permits for the development on which a petition for relief has been filed until the petition is conclusively resolved, including any judicial review.

3.20.110      Administration

A. A right to reimbursement shall terminate 10 years after the reimbursement district is created unless the person who is eligible for reimbursement renews their eligibility for reimbursement. Eligibility for reimbursement may be renewed for two additional five-year periods. In order to renew eligibility for reimbursement, the person who is eligible for reimbursement must file a written declaration of renewal with the City Engineer within 90 calendar days of the date the eligibility for reimbursement would otherwise terminate. Failure to file a timely declaration shall result in the termination of any eligibility for reimbursement. In no event may the eligibility for reimbursement exceed twenty years.

B. Eligibility for reimbursement does not obligate the City to seek or pay the reimbursement charge.

C. The right of reimbursement is assignable and transferable after the person who is eligible for reimbursement delivers written notice to the City, advising the City where to send future payments received by the City on behalf of the person or the person's assignee.

D. The City shall establish separate accounts for each reimbursement district. Upon receipt of a reimbursement charge, the City shall cause a record to be made of the payment and remit the charge to the person eligible for reimbursement, or its assignee, after deduction of administrative fees. The person eligible for reimbursement or that person's assignee shall notify the City within 30 calendar days of any mailing address change.



**City Commission & Planning Commission  
Joint Worksession  
January 12, 2000**

**Land Partition Requirements**

Staff Contacts: Bob Cullison, Engineering Manager and Maggie Collins, Planning Manager

**ISSUE:** Potential Partition applicants regularly inform City staff that the City is requiring too much for street upgrades as a condition of Partition approval.

**BACKGROUND:** The purpose of a Partition is to divide land into two or three parcels. Land Partitions can occur in all zones. They are processed as Type II applications. The bulk of the land partitions requested, reviewed and approved in Oregon City occur on residentially-zoned lands. A partition of land does not necessarily mean subsequent development follows in a timely manner. Planning staff view the Partition process primarily as a tool for re-allocating ownership. Planning concerns focus on monitoring partitions so that they can take advantage of City development opportunities in the future.

The City Code enables City staff to require utilities, such as water, sanitary sewer and stormwater extensions to be provided to the far end of property being partitioned. It enables staff to require frontage dedication to ensure adequate right-of-way.

In addition, staff has been requiring as a partitioning approval criterion half-street improvements across existing street frontages. This includes curb, gutter, one lane of street pavement plus 10 feet of paving on the other side to ensure safe transition from new pavement to the old, sidewalk, and planter strip. Previous Commission guidance has been to require this level of infrastructure improvements.

Some issues of *timing*, *impact* and *intent* are relevant as background here. For example,

- ❑ An issue stems from property owners who *intend* to divide properties that border two streets. Staff has been requiring that both streets be improved. This requirement usually dampens the property owner's intent, and they typically decline to proceed through a Partition process (see Case Study # 1). The *impact* is that areas of the City where development is feasible and desirable remain in a holding pattern, thus denying housing possibilities to residents.
- ❑ Another common case is when the landowner's *intent* is to create a separate parcel for the existing home and develop the remaining larger parcel into a subdivision or planned unit development (see Case Study # 2). In these cases, the *impact* to City streets and infrastructure may be quite large. While the *timing* of the subdivision request may be dependent upon financing arrangements, the actual development request (subdivision or planned unit development approval) usually occurs within one to five years of the partitioning approval. The affected parcels will probably not continue in a vacant state for too long.

- Street improvement upfront as partitioning takes place guarantees that the requirement is met, not deferred because of individual timing and intent issues of original and/or new property owners.
- Because the subdivision or planned unit development process usually follows on the heels of a partitioning, the frontage improvement requirement logically follows.

**REQUEST:**

1. Staff requests that the City Commission/Planning Commission reaffirm current Code sections outlined above for requiring Partitions to install half-street improvements.
2. Staff also requests the City Commission/Planning Commission to address the following situations in regards to policy about City street improvements as a condition of Partition approval:
  - a. Partitions bordering on two or more streets. See Case Study #1.
  - b. Partitions where access to the street for a large parcel of the Partition differs from the existing home. See Case Study #2.
  - c. Partitions where only three additional homes can be built under current zoning regulations. See Case Study # 3.

Atch: Case Studies 1-3

# CASE STUDY #2

CENTRAL POINT ROAD

## HALF-STREET IMPROVEMENT

NW 1/4, SECTION 7, T.3S., R.2E.  
WILLAMETTE MERIDIAN  
CITY OF OREGON CITY  
CLACKAMAS COUNTY, OREGON  
CITY PLANNING FILE: MP 99-03

INITIAL POINT  
N. 817.951.87  
E. 7,458.032.97

EXISTING HOME

PARCEL 1  
21,362 SF

PARCEL 2  
149,849 SF

EXHIBIT "B"

 SUBDIVISION ACCESS

PK NAR W/FASTER  
RECORDED "GAL LS 1989"  
IN CURB

SUNSET SPRINGS DRIVE  
N 4352'38" E 499.69'

PK NAR W/FASTER  
RECORDED "GAL LS 1989"  
IN CURB

"SUNSET SPRINGS"  
(PLAT NO. 9989)

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## Trahan Consulting, inc.

1419 7th Street • Oregon City, OR 97045 • (503) 557-4941 • FAX (503) 557-4832

March 3, 1998  
Stacey Sacher-Goldstein  
Assistant Planner  
City of Oregon City  
320 Warner-Milne Road  
Oregon City, Oregon 97045

**VIA FACSIMILE: (503) 657-7892**

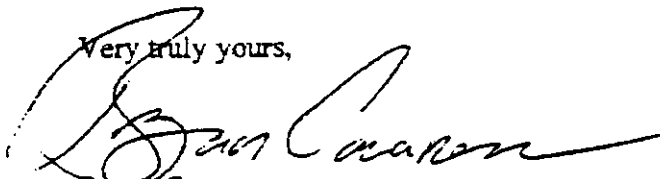
Re: Withdrawl of Brian King Partition Application  
TCI File No. 9707; Or City File No. MP97-12

Dear Stacey:

Mr. King has requested me to advise you that as a result of the conditions of approval the city has proposed in connection with the above land use application he wishes to withdraw the application effective immediately. Mr. King has concluded that the engineering design and construction costs of the required improvements will cause him to incur expenses in excess of the real market value of the three lots he has proposed.

I would like to thank you for your time and attention to this matter; especially the opportunity you provided us to discuss the conditions contained in your original staff report. If you have any questions regarding this request you may contact me at 557-4941.

Very truly yours,



Bryan Cavaness  
Project Manager

cc: Brian King

9707/curri/sacher-303

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