

CITY OF MILWAUKIE

ORDINANCE NO. 1694

AN ORDINANCE OF THE MILWAUKIE CITY COUNCIL ESTABLISHING A PROCEDURE FOR CREATING AN ECONOMIC IMPROVEMENT DISTRICT AND SETTING A DATE, TIME AND PLACE FOR A PUBLIC HEARING TO CONSIDER THE ESTABLISHMENT OF AN ECONOMIC IMPROVEMENT DISTRICT IN THE DOWNTOWN AREA, IN ACCORDANCE WITH ORS 223.112-223.132 AND REPEALING ORDINANCE NO. 1690.

WHEREAS, representatives from the Milwaukie Downtown Development Association support an economic improvement district in the downtown area in order to promote business activity by coordinating the efforts of all property owners by and through a "downtown manager," and

WHEREAS, this manager would coordinate activities, encourage cleanup and beautification efforts, be a source of information for renters and prospective renters, organize marketing efforts, serve as a source of information and assistance to association members and recruit new businesses, and

WHEREAS, Section 36 of the Milwaukie Charter provides that "The procedure for levying, collecting and enforcing special assessments to be charges against real property for public improvements or other services shall be by ordinance;" and

WHEREAS, ORS 223.112 to 223.132 grants authority and establishes a procedure for the formation of an economic improvement district; and

WHEREAS, ORS 223.117 requires that a public hearing be held at which property owners may appear to support or object to the proposed improvement and assessment; and

WHEREAS, Ordinance No. 1690, adopted by the Council on October 16, 1990, established a procedure for creating an economic improvement district; and

WHEREAS, Ordinance No. 1690 set a time and place for a public hearing on creation of an economic improvement district; and

WHEREAS, it was discovered that notice of the public hearing was not mailed to all affected property owners; and

WHEREAS, the City Council finds that to ensure due process rights to all affected property owners, it is necessary to begin the EID formation process again and re-conduct the required public hearings; now, therefore,

THE CITY OF MILWAUKIE ORDAINS AS FOLLOWS:

Section 1. Proposed Economic Improvement District.

(a) The purpose of the project is to promote, within the district, economic improvement by planning or management of development or improvement activities; by landscaping or other maintenance of public areas; by promotion of commercial activity or public events; by activities in support of business recruitment and development; and by improvements in parking systems or parking enforcement.

(b) Assessment will commence with passage of an assessment ordinance adopting the assessments and shall be for a three year period thereafter. The estimated amount to be assessed is \$18,000 each year, commencing in fiscal year 1990-91.

(c) The total estimated cost of the economic improvement district per year is \$56,000. The total estimated amount to be collected from assessments in the district each year is \$18,000. The balance of funds shall be raised from other sources. The total sum to be collected by assessment shall be determined by the amount of assessed value available in the association boundary. The proposed formula for apportioning the cost shall be:

$$\frac{\$18,000}{\text{Assessed Value} - \text{Exempted Property} \div 1,000} = \text{RATE}$$

ASSESSED VALUE - EXEMPTED PROPERTY $\div$ 1,000 x RATE = Assessment Amount.

(d) The boundaries of the assessment district are described in Exhibit "A", which is attached hereto and incorporated herein by this reference. Assessments shall be apportioned over the assessment district.

(e) The following classes of property are proposed to be exempt from assessment:

Railroads - this exemption applies to railroad owned property which is in use for or restricted to use for rail transportation. However, if the property is converted to commercial use, then the railroad owned property will be assessed.

Non-profits - this exemption applies to property owned or being purchased by organizations, corporations or trusts which are exempt from taxation under 26 USCS §501 or to property which is exempt from taxation pursuant to ORS 307.112. Those exempted include, but are not limited to: fraternal organizations, religious organizations, civic organizations, health related organizations, historical societies, etc.

Churches - churches are included as non-profits.

Publicly-owned property - this includes, but is not limited to, property owned by the United States, State of Oregon, Clackamas County, City of Milwaukie, school districts, and special districts.

Residential real property - as required by statute.

(f) When part of a commercial structure is in residential use, the value equal to that part of the structure shall be exempt from assessment. To determine the value to be exempt, the proposed formula is:

Percentage of residential square feet x improvement value
= exempted value

(g) The city may amend the assessment district to include any of said exempted properties at the time they are converted to a commercial use.

Section 2. Limitations.

The City shall not be authorized to:

(a) Levy assessments in an economic improvement district in any year that exceed one percent of the true cash value of all the real property located within the district.

(b) Include within an economic improvement district any area of the city that is not zoned for commercial or industrial use.

(c) Levy assessments on residential real property or any portion of a structure used for residential purposes.

Section 3. Notice of Proposed Economic Improvement District.

(a) The City Recorder shall give notice to the affected property owners by mail, announcing the intention of the Council to undertake the economic improvement district project and to assess benefited property for part of the cost. The notice shall state the time and place of the public hearing at which owners may appear to support or object to the proposed district or assessment.

(b) Notices shall be mailed to the property owners more than 30 days prior to the public hearing. The public hearing shall be held at 7:00 p.m. on the 19th day of March, 1991, at the Milwaukie Senior Center, Milwaukie, Oregon.

Section 4. Determinations To Be Made Following the Public Hearing.

Following the public hearing, the Council shall:

- (a) Determine that the assessment shall be made.
- (b) Determine the property to be benefited.
- (c) Determine the cost to be borne by the respective parcels in the proposed district.
- (d) Direct the City Recorder to prepare the assessment roll and file it in the appropriate city office.
- (e) Direct the City Recorder to mail to the owner of each lot to be assessed a notice of the amount of the assessment, and state the time and place of a second public hearing at which time affected property owners may appear to support or object to the proposed assessment. The hearing shall not be held sooner than 30 days after mailing of the notice.
- (f) The Council, at said second hearing, may adopt, correct, modify or revise the proposed assessments.
- (g) The assessments will not be made and the economic improvement project terminated when written objections are received at the second public hearing from owners of property upon which more than 33 percent of the total amount of assessments are levied.

Section 5. Appointment of Advisory Committee.

The Council proposes to appoint the Milwaukie Downtown Development Association as the advisory committee to the Council for the expenditure of funds assessed and collected from this economic improvement district.

Section 6. Repeal of Ordinance 1690.

Ordinance No. 1690, AN ORDINANCE OF THE MILWAUKIE CITY COUNCIL ESTABLISHING A PROCEDURE FOR CREATING AN ECONOMIC IMPROVEMENT DISTRICT AND SETTING A DATE, TIME AND PLACE FOR A PUBLIC HEARING TO CONSIDER THE ESTABLISHMENT OF AN ECONOMIC IMPROVEMENT DISTRICT IN THE DOWNTOWN AREA, IN ACCORDANCE WITH ORS 223.112-223.132, adopted on October 16, 1990, is hereby repealed.

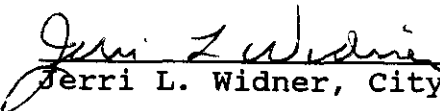
Read for the first time on February 5, 1991 and moved to a second reading by unanimous vote of the City Council.

Read for the second time and adopted by the City Council on February 5, 1991.

Signed by the Mayor on February 5, 1991.


Craig Lomnicki, Mayor

Attest:


Terri L. Widner, City Recorder

Approved as to form:


City Attorney

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ECONOMIC IMPROVEMENT DISTRICT BOUNDARY

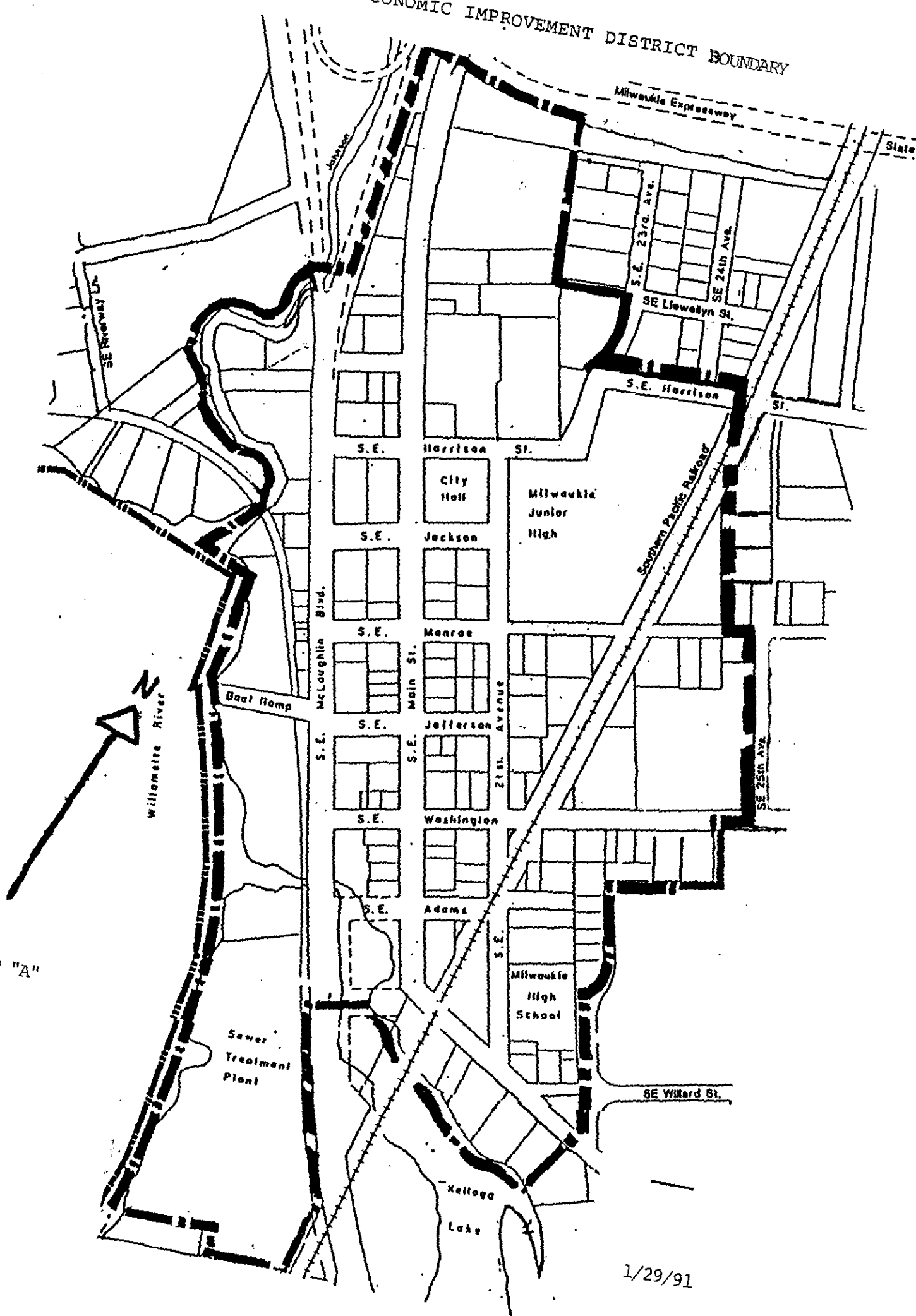


EXHIBIT "A"

1/29/91