

AN ORDINANCE OF THE CITY OF MILWAUKIE, OREGON AMENDING CHAPTER 3.16 OF THE MILWAUKIE MUNICIPAL CODE ESTABLISHING A LOW INCOME PROGRAM FOR PAYMENT OF SYSTEMS DEVELOPMENT CHARGES.

WHEREAS, the City Council recognizes there are many households that are unable to pay for water, sewer and other infrastructure systems development charges and,

WHEREAS, these systems development charges may be in conjunction with a local improvement district and are in many cases a health and safety issue and,

WHEREAS, the City Council would like to assist those households who are unable to pay for the systems development charges in the short term.

THE CITY OF MILWAUKIE DOES ORDAIN AS FOLLOWS:

Section 1. The City Council adds to Chapter 3.16 of the Milwaukie Municipal Code section 3.16.055 Low Income Program.

Section 2. Low Income Program Defined.

A. Loan and Deferral Program. Low income property owners unable to pay for water, sewer and other infrastructure systems development charges at the time of connection may apply for a program to pay their systems development charges in installments. Depending upon eligibility, a property owner may apply for the installment payment program or the low interest five year deferral program.

B. Installment payment program. This program is designed for those low income properties that are unable to make a lump sum payment of the systems development charge at time of permit application. Commercial establishments are not eligible for this deferral program. This program will allow applicants to make monthly payments with interest until the amount due is paid, not to exceed ten years. The interest rate shall be the rate of the Local Government Investment Pool on the date of approval of the application. Participants must not exceed the low income level adopted by resolution of the city council. In addition to the application eligibility requirements, the full amount plus interest is due and payable upon the sale or change in use of the property or the death of the applicant.

C. Low interest five year deferral program. This deferral program is designed for those participants that meet the low income levels adopted by resolution of the city council for low interest long term repayment of systems development charge. Commercial establishments are not eligible for this deferral program. This program allows applicants to defer payment of the systems development charge for 5 years. At the end of 5 years the applicant will pay the full amount plus 6% interest (annually compounded). In addition to the application eligibility requirements, the full amount plus interest is due and payable upon the sale or change in use of the property or the death of the applicant.

D. Application--Eligibility.

1. To the extent that the requirements of this ordinance are met, a property owner may make application to obtain an installment payment or deferred payment program for systems development infrastructure charges.

2. To be eligible for the installment or the deferred payment program:

- a. The property must meet the requirements of ORS 223 for improvement financing.
- b. The property involved must be occupied and used by the applicant as his or her principal residence.
- c. No other city assessments or accounts may be in arrears on the property.
- d. The income of the family, of which the applicant is a member, shall not exceed the income level adopted by resolution of the city council.
- e. "Family" means one person or two or more persons related by blood, marriage, legal adoption or guardianship; or a group of not more than five persons, all or part of whom are not related by blood, marriage, legal adoption or guardianship, living together as a simple housekeeping and economic unit in the dwelling occupying the property for which the installment or deferred payment program is applied for.
- f. The applicant shall file an application to obtain the installment or deferred payment with the city finance director prior to qualifying for the program.
- g. Proof of total household income must be given to the city finance director prior to qualifying for the program.

Section 3. The City Council adds to Chapter 3.16.050 the following: Low income installment or deferral programs are available as provided in Section 3.16.055.

Read the first time on July 18, 1989, and moved to second reading by vote of the City Council.

Read the second time and adopted by the City Council on July 18, 1989.

Signed by the Mayor on July 18, 1989.

Roger A. Hall
Roger A. Hall, Mayor

ATTEST:

Terri L. Widner
Terri L. Widner, City Recorder

Approved as to Form:

Timothy V. Ramis
Timothy V. Ramis, City Attorney