

**MONDAY, SEPTEMBER 17, 2018
CITY COUNCIL**

WORK SESSION ~ ADVANCE FINANCE REIMBURSEMENT DISTRICT

Mayor Burge called the Work Session to order at 6:33 p.m.

Present: Mayor Scott Burge, Councilor Megan Greisen, Councilor Natalie Sanders, Councilor Joel Haugen, City Manager Michael Sykes, City Recorder Susan Reeves, Assistant to City Manager Alexandra Rains, City Planner Laurie Oliver, Treatment Plant Supervisor Kevin Turner, and Legal Counsel Peter Watts.

City Manager Sykes explained we are having a work session tonight to talk about advance finance reimbursement district. He explained this is kind of a follow up to the West Lane project.

Assistant to City Manager Alexandra Rains went over the staff report. She explained the City is in the process of concluding the West Lane Road Improvement Project. The improvements span the frontage of three property owners: the Jet Center, Cascade Tissue, and Airpark Development. Both Cascade Tissue and Airpark Development made cash contributions at the beginning of the project to cover their portion of the frontage costs, however, the Jet Center declined to make a cash contribution at that time. Over the Winter of 2017, the Jet Center and the City discussed the possibility of establishing an Advance Finance Reimbursement District at the conclusion of the project, as a long-term method for the Jet Center to fund the cost of improvements to their property. Advance Finance Reimbursement Districts are defined in Chapter 3.20 of the Scappoose Municipal Code, Section 3.20.010, as "...a method of financial reimbursement to developers for a share of costs incurred in installation or construction of public improvements that will benefit intervening or future property owners." Once established, the District does not necessarily have immediate impacts on the property included within its boundaries, repayment is triggered by the owner's application to connect to AFR facilities or for building permits for projects that would utilize AFR improvements. Initially, these Districts remain in effect for ten (10) years and then allow the developer to request two (2) five (5) year extensions for a total of twenty (20) years. In this instance, the City is the developer and would receive financial reimbursement when the property owned by the Jet Center, and the only parcel to be included in the Advance Financed Reimbursement District, develops. Kittelson and Associates prepared a memo (see attached) documenting the Jet Center parcel to be included in the Advance Finance Reimbursement District as well as the cost breakdown and an exhibit of the property, per the requirements of SMC 3.20. The total AFR allocation to the Jet Center property is \$111,704.54. As noted above, those funds will be due to the City once the property owner develops the site. According to SMC 3.20, the next step in the process of establishing an Advance Finance Reimbursement District is a Public Hearing, which, in this case, is tentatively scheduled for October 1, 2018. All required property owners will be notified via regular mail. This Hearing will be for informational purposes only as AFR's are not subject to mandatory termination due to remonstrances. Following the Hearing, City Council would have the sole discretion to determine whether or not to move forward with establishment of an AFR. Should it be Council's decision

to proceed, Staff will present an AFR Resolution on October 15, 2018 for approval. Once approved, a notice of the Council's decision and a copy of the Resolution will be sent out to all appropriate property owners and the AFR Resolution will be recorded by the City in the deed of records of Columbia County.

Legal Counsel Peter Watts gave an overview of how the Advance Finance Reimbursement District works.

Assistant to City Manager Alexandra Rains stated this gives the City the opportunity to recover something, versus nothing. She stated this does create a mechanism to help the City to recoup some funds for the transportation fund, hopefully.

Mayor Burge explained this is what was used to build 2nd Street.

Assistant to City Manager Alexandra Rains asked if we should go ahead and hold the public hearing?

Mayor Burge replied, yes.

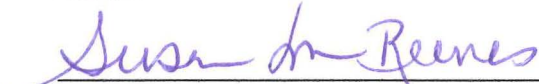
Assistant to City Manager Alexandra Rains replied the public hearing will be held on October 1, and she will send out notices to property owners tomorrow.

Mayor Burge adjourned the Work Session at 6:36 p.m.



Mayor Scott Burge

Attest:



City Recorder Susan M. Reeves, MMC