## **ORDINANCE NO. 742**

## AN ORDINANCE RELATING TO ADVANCE FINANCING, AMENDING SCAPPOOSE MUNICIPAL CODE CHAPTER 3.20, AND DECLARING AN EMERGENCY.

The City of Scappoose hereby ordains as follows:

**Section 1**. Scappoose Municipal Code section 3.20.030 is amended to read as follows (new language underlined):

<u>3.20:030 Receipt of application</u>. (1) The city will receive applications for advance financing from developers, which applications shall be submitted to the public works department and shall be accompanied by a fee established by Council resolution. The fee will be to defray the cost of city analysis of the proposed advance financing project, the cost of notifying property owners, recording costs and other administrative expenses. When the city or other public agency is the developer, the city manager may submit the application to the public works department without fee.

(2) The application shall include the following:

(a)	A description of the location, type, size and cost of the public improvement to be advance financed.
(b)	A map showing intervening <u>and future</u>
	properties, front footage of intervening and
	future properties, the development, and a
	list of intervening and future property
	owners with current mailing addresses.
(c)	The estimated reimbursement amount from
	each intervening and future property based
	on the formula proposed for
	<u>reimbursement</u> .
(d)	The estimated date of installation if it is a
	pre-installation application or the date the
	city accepted the public improvement if it is
	a post-installation application.
(e)	The estimated cost of the public
	improvement if it is a pre-installation
	application or the actual cost of the public
	improvement as determined by receipts,
	invoices and other documents satisfactory to
	the city engineer if it is a post-installation
	application.

(3) The application may be submitted to the city prior to the installation of the public improvement but not later than 180 days after such installation. The city manager may grant one 90-day extension prior to the expiration of the 180-day period for good cause.

**Section 2.** Scappoose Municipal Code section 3.20.040 is amended to read as follows (new language underlined):

<u>3.20:040 City staff analysis</u>. Upon receipt of the advance financing application, the public works department shall analyze the proposal and submit a report to the city manager for council review and public hearing. Such report shall include a map showing the location and dimensions of the development and all future and intervening properties. The report shall also include the city engineer's estimate of the total cost of the advance financed public improvement. The report shall also include the city engineer's analysis of whether the estimated actual cost of the public improvement is reasonable, the estimated advance financed reimbursement due from each intervening **and future** property owner, and whether the public improvements will or have met city standards.

**Section 3.** Scappoose Municipal Code section 3.20.050 is amended to read as follows (new language underlined):

<u>3.20.050 Public hearing</u>. Within a reasonable time after the public works department has completed its analysis, an informational public hearing shall be held in which all parties and the general public shall be given the opportunity to express their views pertaining to the proposed advance financed public improvement. Since advance financed public improvements do not give rise to assessments, the public hearing is for informational purposes only, and is not subject to mandatory termination due to remonstrances. The city council has the sole discretion after the public hearing to decide whether an advance financing resolution shall be adopted.

**Section 4.** Scappoose Municipal Code section 3.20.070 is amended to read as follows (new language underlined):

3.20.070 Advance financing resolution and agreements. (1) After the public hearing held pursuant to Section 3.20.050, if the council decides that the application meets the purposes of this chapter, it may pass an advance financing resolution accordingly. The resolution shall designate the proposed improvement as an advance financed improvement and provide for advance financed reimbursement by intervening and future property owners pursuant to this chapter. The resolution shall designate and describe all intervening and future property subject to the resolution. When the developer is other than the city, the advance financing resolution shall instruct the city manager to enter into an agreement between the developer and the city pertaining to the advance financed improvement, which may require such guarantee or guarantees as the city manager deems necessary to protect the public and intervening and future property owners, and may include such other provisions as the city manager determines necessary and proper to carry out the purposes of this chapter. More than one public improvement may be the subject of a single advance financing agreement or resolution.

(2) The city shall notify all intervening <u>and future</u> property owners and the developer of the adoption of an advance financing resolution. The notice shall include a copy of the resolution, the date it was adopted and a short explanation of this Chapter 3.20. **Section 5.** Scappoose Municipal Code section 3.20.090 is amended to read as follows (new language underlined, deleted language stricken):

<u>3.20.090 Rates of reimbursement.</u> A. Intervening Property Owners.

1. When there are no future property owners involved, an intervening property owner shall pay advance financed reimbursement. The advanced reimbursement imposed on intervening property owners shall be calculated as <u>described in Code Section 3.20.090 C</u>.

<u>Advance</u> financing reimbursements for odd-shaped lots shall be individually established and consistent with the benefit received by the lot and the reimbursement required of other lots in the area.

B. Future Property Owners. <u>1.</u>The advance financed reimbursement imposed on future property owners shall be calculated as <u>described in</u> <u>Code Section 3.20.090 C</u>.

## 2. In subdivision 1 of this subsection, advance financing reimbursements for odd-shaped lots shall be individually established and consistent with the benefit received by the lot and the reimbursement required of other lots in the area.

C. Formula for calculating advance financed reimbursement. Advance financing reimbursement shall be calculated by one of the following three methods based on the method which the Council determines provides the most equitable reimbursement for all properties involved:

1. Benefit to the property method. Assessments <u>**Reimbursements**</u> may be based on the Equivalent Dwelling Unit (EDU). An Equivalent Dwelling Unit is defined as a single-family residence located on a single lot of record. Where no specific project values are available, because no development proposal has been submitted, the following table shall be used to determine the number of EDU's applicable to any given property:

3.20.100

Land Use	Net Density
Designation	EDU/Acre
R-1	5.0
R-4	6.5
MH	7.0
A-1	20.0
С	9.09
EC	13.64
LI	4.55
HI	4.55

The calculation shall be: The total actual cost of the advance financed public improvements shall be divided by the total number of EDU's applying to the advance financed public improvement including the development. If inequities are created by the strict implementation of the above formula, the council may modify the formula on a case-by-case basis.

2. Front footage method. The total actual cost of the advance financed public improvements multiplied by a percentage of front footage owned by the intervening or future property owner of the total front footage served by the advance financed public improvement including the development. If inequities are created by the strict implementation of the above formula, the council may modify the formula on a case-by-case basis.

3. Square footage method. The total actual cost of the advance financed public improvements multiplied by a percentage of the intervening or future property owner's percentage of ownership of the total acreage served by the advance financed public improvement including the development. If inequities are created by the strict implementation of the above formula, the council may modify the formula on a case-by-case basis.

For the purpose of this section, "actual total cost" may include interest D. payments and fees related to project loan financing. Thereafter the reimbursement calculated in section 3.20.090 C 1-3, may be increased by nine percent annual simple interest from the date of completion of construction of the development, or such other percentage as the council may from time to time set by resolution, multiplied by the number of EDU's served by each of the intervening or future lots.

Emergency. Because this ordinance is necessary for the Section 6. public health, peace and general welfare, an emergency is declared to exist and this ordinance shall take effect immediately upon passage by the Council and execution by the Mayor.

Adopted this 17<sup>th</sup> day of February, 2004.

Lunchen Glenn E. Dorschler, Mayor

ATTEST:

Susan M Pentecost, City Recorder