



City of Oregon City

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Oregon City, OR 97045
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Staff Report

File Number: 18-145

Agenda Date: 3/21/2018

Status: Public Hearing

To: City Commission

Agenda #: 6a.

From: Economic Development Manager Eric Underwood

File Type: Ordinance

SUBJECT:

Ordinance No.18-1001, Creating the Downtown Economic Improvement District

RECOMMENDED ACTION (Motion):

Staff recommends that the City Commission not enact an Ordinance to assess property within and Economic Improvement District as per ORS 223.117.

BACKGROUND:

On November 15, 2017 the City Commission adopted a resolution to call for a public hearing to adopt the Economic Improvement District (EID) in downtown Oregon City for a period of four (4) years. The initial EID became effective on April 15, 2011 with a term of four years to allow for District project completion but expired in April 2015. The EID was subsequently renewed in July 2015 for a period of three years to continue District projects with an expiration date of July 16, 2018. The purpose of the EID is to fund economic development activities that specifically benefit Main Street commerce in downtown Oregon City. Throughout the District's four-year term, many successful projects and promotional activities have been carried out resulting in positive impacts on Oregon City's Main Street community.

Examples of those projects are as follows:

- * Bolstering of business/developer recruitment for downtown
- * Housing recruitment program
- * Ongoing marketing and promotions
- * Infrastructure improvements including gateway art, light pole flags and public right-of-way enhancements
- * Grant writing, publicity and advocacy

In order to be able to assess the property in the EID, the City Commission can, at it's discretion, enact an Ordinance with a provision for assessments to occur within a specified number of years if less than 33% of property owners in the District submit written objections as described in ORS 223.117(2)(b) to (e). The current proposal includes assessment rates in three contiguous zones and the breakdown of the proposed assessment is as follows:

Zone 1 - assessment shall be equal to the lesser of \$1,250 or \$0.25 per square foot of tax lot area.

Zone 2 - assessment shall be equal to the lesser of \$1,250 or \$0.15 per square foot

Zone 3 - assessment shall be equal to the lesser of \$975 or \$0.10 per square foot of tax lot area.

This is the second public hearing (ORS 223.117) originally held on February 21, 2018. The continuance was approved by the City Commission to provide staff the time to calculate the written objections that were submitted just prior to the February 21st hearing. Staff's calculation has determined that 41% of property owners within the current Economic Improvement District have submitted written objections to having their properties assessed, exceeding the less than 33% requirement of ORS 223.118. Due to the number of objections submitted, it is recommended that the City Commission not assess the Economic Improvement District for a renewed term and allow the existing District to expire on July 16, 2018.