



City of Oregon City

625 Center Street
Oregon City, OR 97045
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Staff Report

File Number: 16-431

Agenda Date: 7/20/2016

Status: Agenda Ready

To: City Commission

Agenda #: 6c.

From: Public Works Director John Lewis

File Type: Report

SUBJECT:

Appeal of Public Works Director's Assessment of System Development Charges (SDCs) for a 2-Story Office Building at 415 Center Street

RECOMMENDED ACTION (Motion):

Deny the appeal and uphold the Director's decision to deny the property owner's request for reduction of System Development Charges (SDCs) for the proposed 2-story office building at 415 Center Street.

BACKGROUND:

A Site Plan and Design Review Type II Decision was issued on August 25, 2015, for the proposal of a 2-story office building and parking lot at 415 Center Street. A building permit was applied for and final System Development Charges (SDCs) were calculated for the proposed 2-story office building. System development charge (SDC) are assessed on all development and are intended to pay for the cost of constructing or providing capacity for the city's sewer, water, stormwater drainage, parks and transportation systems sufficient to accommodate new development.

Oregon City Municipal Code Chapter 13.20, Section 13.20.050 allows for a reduction of SDCs on properties that are being redeveloped if there is a legally approved use or structure on the property within the previous 10 years. The property at 415 Center Street has not had a legally approved use or structure on the property since 2002, approximately 14 years ago when a single family dwelling existed and burned down.

In 2007 and 2008, there were land use applications submitted for Site Plan and Historic Review for the 2-story office building but these applications were never deemed complete, required fees were not paid and they, therefore, did not receive legal approval for the proposed use. The land use permit approval received on August 25, 2015, is the first Site Plan and Design Permit approval issued to build a 2-story office building at 415 Center Street.

The property owner, Bill Winkenbach, appealed the Public Works Director's decision to assess SDCs and requested a reduction of SDC's by the amount of value associated with the single family dwelling that burned down in 2002.

At the June 15, 2016 City Commission meeting, the Public Works Director offered that the property did not have a legally approved use or structure within the previous ten years, therefore no SDCs reductions are allowed per City Code Chapter 13.20. The City

Commission considered OCMC 17.20 - System Development Charges for Capital (SDC) Improvements as well as considered the development proposal and postponed a decision and directed staff to review the project development requirements for ideas for reduced requirements that might help to offset the overall project costs rather than compromise SDC code.

Considering a variety of ideas and interpretations, staff have concluded that none of the approved developer construction requirements should be compromised and in this case, the application of the SDC code is mandated and there is no opportunity for any interpretational adjustment.