



January 9, 2018

City Commission, City of Oregon City
625 Center Street
Oregon City, OR 97045

RE: 2018 Economic Improvement District Renewal

Dear Mayor Holladay and Commissioners:

At the last commission meeting, you requested that we either demonstrate that the current EID proposal has sufficient support or amend our proposal. We believe we have sufficient support to move forward with the scheduled hearing. We will and are not asking the Commission to arbitrate the district's formation.

It was clear that you were seeking greater clarity of our organization's activities and budget and how the EID supports that. We are preparing a presentation for next Wednesday's hearing that will further address your comments and questions.

In the meantime, we would like to provide the following documents/details for the record and your review:

1. Letter to Andy and Nancy Busch in response to our follow-up meeting.
2. Document that compares the proposal to past and current EID as well as well as a more detailed comparison of our program's financial activities when we began the last renewal and our anticipated 2018 activities. Please note that this is not an adopted budget since it extends beyond our current fiscal year.
3. Collection of statements of support totaling 23% of the proposed district. It is important to note that we received the majority of this support when we were considering a higher \$1,495 cap.
 - George Heidgerken (representing two LLCs)
 - Dan Fowler (representing three LLCs)
 - BACCHUS LAND COMPANY LLC
 - BAH SOME LLC
 - EDGEFIELD GARDENS INC (McMenamins)
 - FIVE JS LLC
 - HALF CUP HOLDINGS LLC (Commstructure Consulting)
 - LITHIA REAL ESTATE INC
 - List of verbal supporters totaling 4% of proposed district:
 - i. ELKINS 524 MAIN LLC
 - ii. SETTLERS CORNER LLC
 - iii. SPICER KEITH W & NANCY A

We are scheduling meetings that we hope to have prior to next week's hearing with property owners that represent approximately 10% of the district.

4. Our staff has also had positive conversations with other property owners that represent another 11% of the district.

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5. We've received statements of objection from approximately 11.5% of the district.
- BANWAIT SUKHBIR & PARAMJIT K (76 gas station owners citing slow business)
 - BUSCH & BUSCH DEVELOPMENT LLC (provided letter to Commission at last hearing)
 - MEDEARIS LARRY P (citing concerns about grant funding)
 - i. I had a productive follow-up conversation with Mr. Medearis and his wife and feel that we were able to provide appropriate answers to his concerns. Our Executive Director has also had follow-up conversations with him.
 - MORTON LAWRENCE and TRANS AXLE PARTS INC (Mr. Morton spoke at the last Commission meeting.
 - i. Mr. Morton has historically not supported the program or the district which is why his properties were excluded in the original EID. There was consensus amongst ratepayers at the last renewal that property along 99E should be included.
 - TSELNIK ENTERPRISE LLC (Citing that his owner occupied dental business does not specifically benefit from DOCA's programs)
 - i. We met with Mr. Tselnik and feel that we were able to provide appropriate answers to his concerns. He originally intended to attend the last hearing to object but chose not to.
 - STARVAGGI DIANE L TRUSTEE (Citing tenant's small profit margin)
 - WINE DENNIS J (supports at \$975 cap and other term changes)
6. All property owners in the proposed district were provided a Written Support or Objection form similar to the one's we've included with this packet. Based on our historical data with past renewals we believe there is general support amongst property owners that we have not had additional correspondence with.

Our process to date represents the greatest amount of dialogue that we have had with property owners about the EID since our failed attempt to renew the district in 2014. It is also important to note that the current EID passed with an incredibly low 2% remonstrance rate. While some property owners are affected by increases, we provide substantially more services directed at property owner benefit than we did at the time of the last renewal.

I hope this letter and attachments provide clarity. I also look forward to reporting next week how we hope to improve the ongoing participation of EID ratepayers in determining how their assessments are used.

Sincerely,



Carol Pauli
President

cc: DOCA Board of Directors; Eric Underwood, City of Oregon City