



OREGON CITY
CHAMBER
of COMMERCE
1909 - 2019



Dear Commissioners:

The Oregon City Chamber of Commerce has become aware that the City of Oregon City is currently implementing a policy that imposes a \$162 annual fee on businesses to obtain permits for right-of-way usage. The fee applies to things such as landscaping, signage, outdoor seating, flower planters, benches, and other items that could obstruct the flow of pedestrian traffic. We have noticed through our analysis that, when compared with similar policies of neighboring jurisdictions, Oregon City's policy of a \$162 annual fee seems excessive. Our concern is that this would potentially have a negative impact on Oregon City businesses. In addition, this could add unnecessary difficulty in efforts to recruit future businesses and encourage the growth of existing business. Certainly, you can all agree that small business is critical to our local economy, and keeping a path clear for them to thrive is an important endeavor.

The Chamber certainly agrees with the policy's basic purpose and understands the City's obligation to protect the safety and well-being of the public. However, we believe the City should also feel an obligation to protect and foster the business community. We believe the \$162 fee does much to counteract the notion that Oregon City is open for business.

Regarding the analysis mentioned above, the Chamber reviewed the right of way permit policies of seven (7) neighboring cities—Lake Oswego, West Linn, Wilsonville, Canby, Gladstone, Milwaukie, and Happy Valley. We learned that two (2) of these cities (Lake Oswego and Gladstone) have rules and City review, but do not charge any fee for the use of the right of way for things listed above like outdoor seating at restaurants. Two other cities (Wilsonville and Happy Valley) have mostly shopping centers, so they have no rules or fees for right of way use. Milwaukie charges a one-time fee for what they call a "minor encroachment" of \$50. Only West Linn and Canby charge annual fees, and they are significantly less than the fee imposed by Oregon City. The fee in the City of Canby is \$50 annually, and the City of West Linn charges \$100 per year compared to the \$162 annual fee imposed by Oregon City.

Flower planters in front of a shop or a few dining tables outside a restaurant give our city a feeling of vibrancy, life, and prosperity. Amenities such as these also encourage economic development, bring visitors to our City to patronize our businesses and give our business owners confidence to remain and be successful. The elevated right-of-way fee puts us on a trajectory of discouraging businesses from investing in our city which could ultimately result in a negative economic impact. A \$162 annual fee will likely add to the struggle that many small businesses are already experiencing.

It is our hope that the permitting process can be modified in a way that meets the needs of both the City and its business community. Consideration of similar policies from other jurisdictions, such as Milwaukie's policy of charging a small, one-time fee for an ongoing, unchanging, minor encroachment, would be ideal. Alternatively, if the City wants the permit to be reviewed annually, and there are no changes to the permit, the business could file a form affidavit, approved by the City, indicating that there have been no changes to the use of the right-of-way. This approach would be less time consuming

and provide more efficiencies for both the City and the applicant.

Lastly, we would like to raise awareness of a technical inconsistency in the City Code regarding the right-of-way permits. The annual right-of-way-permits are defined as being "temporary" permits. However, the City Code limits a "temporary" permit to 60 days. This inconsistency should be corrected for better clarification. Perhaps the way to do this is to call these types of permits "minor encroachment permits" and have separate rules for them.

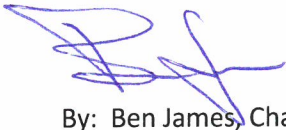
For the reasons stated above, your Chamber respectfully requests that the City reduce or perhaps completely eliminate the right-of-way permit fees charged to businesses, modify the permitting process for enhanced efficiencies, and correct the relevant section of the City Code for clarification purposes. Oregon City Chamber representatives met informally with City staff on this issue approximately a month ago to ensure that staff is aware of the fee disparity. It was a good discussion, but we are unaware of any steps that have been taken thus far.

We look forward to working with the Commission and staff to make these fees more equitable for the business community while serving the needs of the City.

Thank you for your consideration of this request.

Very truly yours,

Oregon City Chamber of Commerce

A handwritten signature in blue ink, appearing to read 'Ben James', is written over the printed name.

By: Ben James, Chair

Cc: Tony Konkol
Mireya Mcilveen
Lori Bell