



## Legislation Text

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**File #:** 15-261, **Version:** 1

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Ordinance for Introduction, No.15-1003, Creating the Downtown Economic Improvement District

### **RECOMMENDED ACTION (Motion):**

Staff recommends that the City Commission conduct a public hearing and approve the attached ordinance adopting the Economic Improvement District for downtown Oregon City

### **BACKGROUND:**

On April 1, 2015 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 three (3) 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. This is a second effort to establish the EID in downtown with the first attempt to renew the EID failed earlier this year due to receiving more than 33% remonstrance from affected property/primary business owners as regulated ORS 223.117. A successful second effort to establish the EID will result in the assessment period becoming effective July 17, 2015.

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. A new EID is necessitated by the activities that have yet to be completed that will further enhance the economic viability of Main Street. 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 needs to enact an ordinance with a provision for assessments to occur within a specified number of years granting to the property owners in the District the notice and right of remonstrance described in ORS 223.117(2)(b) to (e). The current proposal includes the assessment rates of 0.355% of assessed value in year 2015 with a cap of \$692.00 and 0.5% of assessed value in years 2016 and 2017 with a cap of \$975.00. The 2018 assessment rate is proposed to be 0.27% of assessed value with a cap of \$526.00. The estimated generated annual revenue of \$60,000 to partially fund the items listed above. Assessments would be collected by the City and expenditure of funds would be determined by the Main Street Oregon City Board subject to a Personal Services Agreement signed by the City Commission and the Main Street Oregon City Board.

A second public hearing is scheduled for June 17, 2015 and notice of the proposed assessment rate will be sent to individual property owners at least 30 days prior. A map of the District boundaries is attached.

### **BUDGET IMPACT:**

Amount: \$100

FY(s): 14/15

Funding Source: General Fund