#### **RESOLUTION NO. 553**

#### A RESOLUTION DESIGNATING THE LOGGING ROAD INDUSTRIAL PARK PROJECT AS AN ADVANCED FINANCING IMPROVEMENT, AND PROVIDING FOR ADVANCED FINANCED REIMBURSEMENT FROM BENEFITING PROPERTIES.

WHEREAS, the City of Canby has proposed an advanced financing program for a public improvement development cost of \$867,400; and

WHEREAS, the total benefiting sites equal 517.83 acres and there are 3 zones with each zone benefiting differently; and

WHEREAS, the City's consulting engineer prepared a staff report identifying the benefitted property owners, a copy of which is attached hereto as Exhibit "A" and by this reference incorporated herein; and

WHEREAS, the reimbursement procedure, as provided in Municipal Code 4.12 specifies annual simple interest on the amount advance financed; now therefore it is hereby

**RESOLVED** that the City Council instruct the City Administrator to implement the advanced financed improvement proposal in the amount of a 1994 cost of \$0.06 for Zone 1 and \$0.04 for Zone 2 and \$0.02 for Zone 3 per square foot of development area estimated as allocated to individual tax lots as shown on the attached Exhibit "A", and including annual simple interest in an amount equal to the interest rate plus costs that the City must pay to obtain the funds necessary to build the improvements; and

**BE IT FURTHER RESOLVED** that the Logging Road Industrial Park Project, located near S. Township and S. Redwood, is designated as an advanced financed improvement and said benefiting property owners, as designated in Exhibit "A", shall be responsible for advanced financing reimbursement in the amounts indicated; and

**BE IT FURTHER RESOLVED** that this advanced financing program shall remain in effect for a period of ten (10) years with the rights of the City to extend this advanced financing program for two (2) additional five (5) year periods, as set forth in Code Section 4.12.090, or until the principal, plus any accrued interest, has been paid in full to the City of Canby.

**ADOPTED** by the Canby City Council at a regular meeting thereof on January 19, 1994.

Scott Taylór Mayor

ATTEST: ubit

Marilyn K. Perkett City Recorder

# ENGINEERING REPORT CITY OF CANBY LOGGING ROAD INDUSTRIAL PARK ADVANCE FINANCING DISTRICT December, 1993

The City of Canby has continually shown a commitment to further the industrial base within the City as a means to strengthen economic and employment opportunities. To this end, the City Council completed an Industrial Attraction Plan in 1989 through a Community Development Block Grant, that identified several development options for an industrially zoned area of approximately 500 acres in southeast Canby.

In 1992, the City of Canby submitted a preapplication to the Oregon Economic Development Division for Special Public Works Funding. This request was for development of the first phase of the Industrial Attraction Plan, now commonly referred to as the Logging Road Industrial park. This application requested funding assistance for development of the infrastructure including a signalized intersection at Highway 99E, a new collector street from Highway 99E to Township Road and all public utilities. This application was received well by the State of Oregon and the City proceeded to submit a final application for funding in the fall of 1993.

The total cost of this project is covered to a large extent by various cash contributions from the Oregon Economic Development Division (O.E.D.D.), the Federal Highway Administration, the Oregon Department of Transportation and the City of Canby. The O.E.D.D. has awarded a grant totalling \$79,900 due to the number of jobs created by the development.

The remaining funding for development of this site is a Special Public Works Fund, low interest loan with a 20 year amortization through O.E.D.D. This loan is anticipated to be repaid by the formation of an Advance Financing District encompassing approximately 525 acres of benefitted properties.



1093avfd.rpt

This report is intended to identify the cost of the improvements, the limits of the Advance Financing District and a methodology for proportioning costs for repayment of the O.E.D.D. loan. This is the Engineering Report required under the City of Canby "Advance Financing of Public Improvements", Municipal Code Chapter 4.12.

This project is unique in that the City of Canby is the developer and there is no specific "development" site as defined by the Advance Financing of Public Improvements Ordinance. All project improvements are deemed to be assignable to the District as oversize costs, conditioned upon the source of funding. Improvements paid by grants or cash contributions, except by the City of Canby, will not be incorporated into the basis of costs for proportionment to the District.

A copy of the current "Advance Financing of Public Improvements", Chapter 4.12 is attached at the end of this report.

# PROJECT COSTS

The project improvements are shown on the utility plan plate attached to this report. Project costs were first estimated in November, 1992 and only modified slightly in the current Funding Application as follows:

### STREET CONSTRUCTION:

Mobilization	Lump Sum	\$ 35,000
Excavation	10,000 CY @ \$5.00/CY	50,000
AC Surfacing	18,000 SY @ \$8.00/SY	144,000
Crushed Rock	18,000 SY @ \$6.00/SY	108,000
Concrete Curb	7,400 LF @ \$6.00/LF	44,400
Concrete Sidewalk	33,000 SF @ \$2.00/SF	66,000
Signalization	Lump Sum	200,000
C	Subtotal	\$ 647,400
STORM DRAINAGE:		
Catch Basins	14 EA @ \$700.00/EA	\$ 9,800
Dry Wells	7 EA @ \$4,000.00/EA	28,000
12" Pipeline	300 LF @ \$30.00/LF	9,000
1	Subtotal	\$ 46,800
SANITARY SEWER:		
12" Pipeline	5,000 LF @ \$38.00/LF	\$ 190,000
8" Pipeline	400 LF @ \$30.00/LF	12,000
Manholes	17 EA @ \$1,200.00/EA	20,400
	Subtotal	\$ 222,400
WATER SYSTEM:		· · · · · · · · · · · · · · · · · · ·
12" Waterline	2,400 LF @ \$30.00/LF	\$ 72,000
12" Valves	4 EA @ \$800.00/EA	3,200
Fire Hydrants	3 EA @ \$1,500.00/EA	4,500
Miscellaneous Fittings	Lump Sum	10,000
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	Subtotal	\$ 89,700
	Construction Total	\$ 1,006,300
	Engr, Legal & Contingency (20%)	200,000
	TOTAL PROJECT	<u>\$ 1,206,300</u>

A substantial portion of this cost is paid through various Federal, State and Local funds. These components reduce the cost of the project as summarized below and result in a net reimbursable total shown in the right column.

Project Component	Total Cost	Federal Highway	O.D.O.T.	Local SDC	Net Reimbursable
Water System Sanitary Sewer Storm Sewer Street Improvements Engineering, Legal, Admin., Contingency	\$ 89,700 222,400 46,800 647,400 200,000	  \$ 139,000 	  \$ 100,000 	\$ 20,000   	\$ 69,700 222,400 46,800 408,400 200,000
TOTAL	\$ 947,300 \$ 79,900				
	\$ 867,400				

The City of Canby is anticipating inputting approximately \$160,000, a portion of which has already been expended to construct the sanitary sewer along Redwood Street. These dollars will be reimbursed through the Advance Financing Ordinance only if the District fully develops within the 20 year period of reimbursement. Approximately 82% of the property within the District must be developed within the 20 year period for the City to begin receiving funds beyond that required for debt service.

Benefitted properties were determined by their dependency or likely utilization of utility improvements and transportation facilities within the Industrial Park. The roadway is designed to be a collector street with a 40' paved curb to curb dimension, and sidewalks on each side. This will provide the most direct transportation route from Highway 99E to the entire southeast quadrant of the City. The sewer and water systems are also both designed to satisfy the needs of the entire quadrant of southeast Canby, west of the existing Molalla Forest Road (Logging Road).

Ground elevation east of the Logging Road will prevent use of the gravity sewer system for future phases of park development due to the low railroad elevation which isolates the phase 1 area. Service to the remaining Industrial Park phases is generally anticipated to be through another trunk main to Highway 99E, aligned east of the Logging Road.

Page 4

Water Service to the area east of the Logging Road is provided by a proposed 14" mainline shown on Canby Utility Board's Large Diameter Waterline Master Plan.

The legal description for the boundary of benefitted properties is identified on the second plate attached to this report. Generally the northern boundary is Highway 99E, the easterly boundary is the Logging Road, the southern boundary is coincident with the Urban Growth Boundary and the westerly boundary is generally the existing developed areas.

To provide an equitable reimbursement, the costs were broken into three tiers, roughly equating to the level of benefit to be derived by the properties. Tier One properties, with the highest proposed reimbursement costs, are properties that have frontage or near frontage to the actual infrastructure improvements. This zone is located exclusively north of Township Road. It is anticipated that all Tier One properties will have infrastructure improvements located to permit development immediately upon completion of the project, with minimal off-site improvements. This area is all within the City limits, is zoned predominately "light industrial" and will create potential job opportunities.

Tier Two properties are dependent upon all infrastructure improvements within the park, including transportation, sewer and water facilities, however, this Tier is anticipated to develop over a longer period of time. Development within this Tier will require substantial off-site improvements and is nearly exclusively residential neighborhoods both inside and outside of the City limits. Tier Two includes the area between South 13th Avenue and Township Road, excepting the most easterly lower elevation area, as well as the only remaining large single ownership tract immediately south of South 13th Avenue.

Tier Two has experienced a substantial amount of growth over the past year stimulated both by the new school construction and anticipation of the Industrial Park development. Both the new school, Trost Elementary, and the existing development, Valley Farms Phase I, II and III, were dependent upon construction of the sanitary sewer for the Park. As a result, the majority of the sanitary sewer was constructed in the summer of 1993. The Tier Three area is characterized by receiving reduced benefits, yet are still dependent upon the infrastructure development within the Park. This area will benefit primarily by use of transportation and sanitary sewer facilities. This area is anticipated to be the last segments to develop, taking up to the nearly 20 years required to complete infill of the current Urban Growth Boundary. This area extends south to the Urban Growth Boundary and west past Ivy Street, into an area where development is restricted due to lack of sewer system capacity.

The attached plate shows the limits of the three zones.

The Canby Municipal Code, Chapter 4.12 identifies the procedure to establish an Advance Financing District. This procedure required establishing a map of the benefitted areas, an estimate of cost and a proportioning of cost between the benefitted properties. Total cost of the Advanced Financed Improvement is escalated by 9% per year simple interest.

Escalating the 9% per year on the three tier allocations will result in the following cost per square foot.

Year	Zone 1	Zone 2	Zone 3	Year	Zone 1	Zone 2	Zone 3
1994	.0600	.0400	.0200	2005	.1548	.1032	.0516
1995	.0654	.0436	.0218	2006	.1688	.1125	.0563
1996	.0713	.0475	.0238	2007	.1839	.1226	.0613
1997	.0777	.0518	.0259	2008	.2005	.1337	.0668
1998	.0847	.0565	.0282	2009	.2185	.1457	.0728
1999	.0923	.0615	.0308	2010	.2382	.1588	.0794
2000	.1006	.0671	.0335	2011	.2597	.1731	.0866
2001	.1097	.0731	.0366	2012	.2830	.1887	.0943
2002	.1196	.0797	.0399	2013	.3085	.2057	.1028
2003	.1303	.0869	.0434	2014	.3363	.2242	.1121
2005	.1420	.0947	.0473	2015	.3665	.2444	.1222

ZONE	AREA (acres)	COST/sf	TOTAL
1 2 3	105.65 257.34 82.62	\$ 0.06 \$ 0.04 \$ 0.02	\$ 276,127 \$ 448,389 \$ 121,759
TOTAL	517.83	TOTAL	\$ 846,275

A preliminary proportioning of 1994 reimbursable costs is shown in the following table, using a \$0.06, 0.04 and 0.02 per square foot cost for zones 1, 2 and 3:

This assignment of cost generates all but \$10,627 of the total \$867,400 estimated project cost. This amount is well within the accuracy of the construction cost estimates, and can be adjusted upon determination of final costs following construction if sufficient surplus or deficiency warrants.

The attached spreadsheet shows the 1994 reimbursable costs allocated to each property within zones 1, 2 and 3 based upon proportionate area. For the Logging Road Industrial Park Advanced Financing District, reimbursement formulas per code can be based upon proportionate areas as opposed to front footage. This is recommended due to the irregularity of the lot frontages and mostly undeveloped condition of the District.

These allocations are based upon undeveloped areas and should be collected based upon total square footage of the pre-developed site. Development of a site will typically remove 20-25% of the total property area for roadways and public use. The spreadsheet allocations are equitable as all properties are allocated cost based upon a pre-developed site condition.

The reimbursement schedule is extended for a period of 20 years, anticipating the City Council will extend the collection period to coincide with development of the area. The Advance Financing Code has a basic collection period of ten years with two 5 year extensions allowed upon application.

December 1993

MAP	TAX LOT	ACRES	\$/sq ft	TOTAL	OWNER	AUDRESS
ZONE 1						
TM 31 E34C	100	6.12	\$0.06	\$15,995.23	City of Canby	
TM 31E34C	200	5.43	0.06	14,191.85	David R. Anderson	641 Baker Dr., Canby, OR 97013
TM 31 E34C	300	7.66	0.06	20,020.18	Wilhelm L. Gottormseen	1233 SE 1st Ave., Canby, OR 97013
TM 31 E34C	500	0.37	0.06	967.03	Morris A. Holum	254 S. Pine St., Canby OR 97013
TM 31 E34C	600/9	1.04	0.06	2,718.14	City of Canby	
TM 31 E34C	700	4.70	0.06	12,283.92	H.R. Wodtli / J. Watson	6 Othello, Lake Oswego, OR 97035
TM 31E34C	790	1.83	0.06	4,782.89	H.R. Wodtli / J. Watson	6 Othello, Lake Oswego, OR 97035
TM 31 E34C	800	6.80	0.06	17,772.48	Glibert L. Borg	23397 S. Mulino Rd., Canby, OR 97013
TM 31 E34C	900	2.52	0.06	6,586.27	George A. Miller	540 S. Pine St.,Canby, OR 97013
TM 31 E34C	1100	0.68	0.06	1,777.25	Daniel R. Stahlnecker	570 S. Pine St., Canby, OR 97013
TM 31 E34C	1200	2.84	0.06	7,422.62	Marlon Financial Services	7225 SW 13th Ave., Portland, OR 97219
TM 31E34C	1201	2.80	0.06	7,318.08	Marlon Financial Services	7225 SW 13th Ave., Portland, OR 97219
TM 31 E34C	1300	0.92	0.06	2,404.51	William A. Osmer	718 S. Township Rd., Canby, OR 97013
TM 31 E34C	1390	0.30	0.06	784.08	William A. Osmer	718 S. Township Rd., Canby, OR 97013
TM 31 E34C	1400	0.15	0.06	392.04	Harold R. Wodtli	748 S. Township Rd., Canby, OR 97013
TM 31 E34C	1500	1.96	0.06	5,122.66	Joseph C. Forsythe	792 S. Township Rd., Canby, OR 97013
TM 31 E34C	1600	0.45	0.06	1,176.12	Beverly J. Woolhiser	1222 SE Township Rd., Canby, OR 97013
TM 31 E34C	1700	2.35	0.06	6,141.96	HT Oathes	1290 S. Township Rd., Canby, OR 97013
TM 31 E34C	1701	0.47	0.06	1,228.39	James E. Surdam	580 S. Pine St., Canby, OR 97013
TM 31 E34C	1800	1.00	0.06	2,613.60	Cheryl Anderson	641 N. Baker Dr., Canby, OR 97013
TM 31 E34C	1801	32.81	0.06	85,752.22	Fred Kahut	P.O. Box 550, Canby, OR 97013
TM 31E34C	1802	13.54	0.06	35,388.14	C. Christian Jr. / D.R. Anderson	641 N. Baker Dr., Canby, OR 97013
TM 31 E33DA	800	4.11	0.06	10,741.90	George Hellhake	883 SE 1st Ave., Canby, OR 97013
TM 31 E33DD	2200	4.80	0.06	12,545.28	John F. Watson	6 Othello, Lake Oswego, OR 97035
Total Zone 1		105.65		\$276,126.84		

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December 1993

MAP	TAX LOT	ACRES	\$/sq ft	TOTAL	OWNER	ADDRESS
ZONE 2						
TM 41 E3	400	10.86	0.04	18,922.46	Daniel J. Stoller	2220 SE 13th Ave., Canby, OR 97013
TM 41 E3	401	1.00	0.04	1,742.40	John M. Hill	2284 SE 13th Ave., Canby, OR 97013
TM 41 E3	500	5.91	0.04	10,297.58	Robert L. Marcum	720 NW 9th Ave., Canby, OR 97013
TM 41 E3	600	4.92	0.04	8,572.61	Jerry R. Rice	2134 SE 13th Ave., Canby, OR 97013
TM 41 E3	700	8.83	0.04	15,385.39	Elwood and Alice Faist	2675 SE 13th Ave., Canby, OR 97013
TM 41 E3	800	0.94	0.04	1,637.86	Hugh R. Boyle	1966 SE 13th Ave., Canby, OR 97013
TM 41 E3	900	5.00	0.04	8,712.00	Gertrude M. Thompson	2554 NW Overton, Portland, OR 97201
TM 41 E3	1100	37.48	0.04	65,305.15	Gertrude M. Thompson	2554 NW Overton, Portland, OR 97201
TM 41E3	1101	18.11	0.04	31,554.86	Canby School District	117 NE 3rd Ave., Canby, OR 97013
TM 41 E3	1200	2.94	0.04	5,122.66	Gertrude M. Thompson	2554 NW Overton, Portland, OR 97201
TM 41 E3	1290	0.82	0.04	1,428.77	Gertrude M. Thompson	2554 NW Overton, Portland, OR 97201
TM 41 E3	1900	23.62	0.04	41,155.49	Valley Farms Partnership	P.O. Box 426 Wilsonville, OR 97070
TM 41 E3	2000	39.40	0.04	68,650.56	Larry Faist	1866 SE 13th, Canby, OR 97013
TM 41 E3	2100	0.69	0.04	1,202.26	Alton L. Lindig Jr.	1485 SE 13th Ave., Canby, OR 97013
TM 41 E3	2200	38.11	0.04	66,402.86	Harvey A. Tofte	371 SE 13th Ave., Canby, OR 97013
TM 41 E3	2300	12.00	0.04	20,908.80	Harvey A. Tofte	371 SE 13th Ave., Canby, OR 97013
TM 41 E3BB	100	0.64	0.04	1,115.14	John H. Burlington	1477 S. Township Rd., Canby, OR 97013
TM 41 E3BB	200	0.88	0.04	1,533.31	Leon E. Sampsel	609 S. Redwood St., Canby, OR 97013
TM 41 E3BB	300	0.72	0.04	1,254.53	Paul C. Bell	687 S. Redwood St., Canby, OR 97013
TM 41 E3BB	400	3.09	0.04	5,384.02	Ted M. Labedz	693 S. Redwood St., Canby, OR 97013
TM 41 E3BB	500	2.25	0.04	3,920.40	Daniel B. Hostetler	P.O. Box 656, Canby, OR 97013
TM 41 E3BB	600	1.72	0.04	2,996.93	Robert W. Peterson	1429 S. Township Rd., Canby, OR 97013
TM 41 E3BB	700	15.75	0.04	27,442.80	Authur A. Wright	1285 S. Township Rd., Canby, OR 97013
TM 41 E3BC	4500	14.67	0.04	25,561.01	Regan Enterprises	31233 French Prairie Rd., Wilsonville, OR 97070
TM 41 E3BC	4600	6.99	0.04	12,179.38	Regan Enterprises	31233 French Prairie Rd., Wilsonville, OR 97070
Total Zone 2		257.34		\$448,389.22		

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December 1993

MAP	TAX LOT	ACRES	\$/sq ft	TOTAL	OWNER	AUDRESS
ZONE 3						
TM 41E4D	100	11.17	0.02	9,731.30	Harvey A. Tofte	371 SE 13th Ave., Canby, OR 97013
TM 41E4D	200	10.15	0.02	8,842.68	James F. Dinmore	1490 S. Ivy St., Canby, OR 97013
TM 41E4D	300	2.21	0.02	1,925.35	Muriel Ehtel Snyder	1300 S. Ivy ST., Canby, OR 97013
TM 41E4D	400	0.73	0.02	635.98	Kirby Lewis	1440 S. Ivy St., Canby, OR 97013
TM 41E4D	500	1.69	0.02	1,472.33	James F. Dinsmore	1490 S. Ivy St., Canby, OR 97013
TM 41E4D	600	1.65	0.02	1,437.48	Robert R. Wightman	1550 S. Ivy St., Canby, OR 97013
TM 41E4D	700	4.84	0.02	4,216.61	James J. Hopper	1592 S. Ivy St., Canby, OR 97013
TM 41E4D	301	0.39	0.02	339.77	Murial E. Snyder	1300 S. Ivy St., Canby, OR 97013
TM 41E4D	1200	12.48	0.02	10,872.58	Harvey Tofte	371 SE 13th Ave., Canby, OR 97013
TM 41E4D	1300	1.83	0.02	1,594.30	Charles R. Braun, SR.	1712 S. Ivy St., Canby, OR 97013
TM 41E4D	2100	10.00	0.02	8,712.00	Marion Christina Dalen	25025 SE Sunshine Valley Rd., Gresham, OR 97080
TM 41E4D	800	27.57	0.02	24,018.98	Birkmeier Farms, Inc.	P.O. Box 1128 Canby, OR 97013
TM 41E4D	801	5.00	0.02	4,356.00	Housing OPE Inc	P.O. Box 1128, Canby, OR 97013
TM 41E4D	900	3.00	0.02	2,613.60	John Wilson Beck	P.O. Box 846, Canby, OR 97013
TM 41E4D	1000	1.00	0.02	871.20	John Wilson Beck	P.O. Box 846, Canby, OR 97013
TM 41E4D	1100	0.39	0.02	339.77	Charles C. Frazier	1665 S. Ivy St., Canby, OR 97013
TM 41E4D	1101	0.40	0.02	348.48	Charles C. Frazier	1665 S. Ivy St., Canby, OR 97013
TM 41E4D	1400	0.87	0.02	757.94	Rufus Kraxberger	11320 S. Macksburg Rd., Canby, OR 97013
TM 41E4D	1500	1.47	0.02	1,280.66	Gerald J. Mootz	1735 S. Ivy St., Canby, OR 97013
TM 41E4D	1600	1.93	0.02	1,681.42	Walter O. Schmeiser	1841 S. Ivy St., Canby, OR 97013
TM 41E4D	1700	14.51	0.02	12,641.11	Helen J. McMartin	P.O. Box 632, Canby, OR 97013
TM 41E4D	1800	0.10	0.02	87.12	Jessica A. Safarik	P.O. Box 284 ,Canby, OR 97013

December 1993

MAP	TAX LOT	ACRES	\$/sq ft	TOTAL	OWNER	ADDRESS
TM 41E4D	2000	2.00	0.02	1,742.40	Helen J. McMartin	P.O. Box 632 Canby, OR 97013
TM 41 E4C	1401	6.25	0.02	5,445.00	John Wilson Beck	P.O. Box 846, Canby, OR 97013
TM 41 E4C	1500	5.50	0.02	4,791.60	John Wilson Beck	P.O. Box 846, Canby, OR 97013
TM 41 E4C	1600	1.50	0.02	1,306.80	Nadine J. Beck	P.O. Box 846, Canby, OR 97013
TM 41 E4C	1602	1.40	0.02	1,219.68	Peggy Jean Gitts	1777 S. Fir St., Canby, OR 97013
TM 41E4CA	1200	1.97	0.02	1,716.26	Tofte Harvey A. Trustee	371 SE 13th, Canby, OR 97013
TM 41E4CA	1301	2.00	0.02	1,742.40	Todd J. Snelson	1401 S. Fir St., Canby, OR 97013
TM 41E4CA	1400	1.31	0.02	1,141.27	Bernice Wenrick	1495 S. Fir St., Canby, OR 97013
TM 41E4CA	1500	2.00	0.02	1,742.40	Roger A. Steinke	1547 S. Fir St., Canby, OR 97013
TM 41E4CA	1600	2.45	0.02	2,134.44	Rodney J. Beck	P.O. Box 846, Canby, OR 97013
Total Zone 3		82.62		\$121,758.91		
TOTAL ALL ZO	NES	445.61		\$846,274.97		

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