

RESOLUTION NO. 632

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

WHEREAS, the City of Canby has proposed an advanced financing program for a public improvement with development cost of \$195,084 and;

WHEREAS, the total benefitting sites equal 52.1 acres ; and

WHEREAS, the City's consulting engineer prepared a staff report identifying the benefitting 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 Ordinance 903, 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 1997 cost of \$195,084, with allocations of \$3,540 per benefitted acre, and a fixed assessment of \$63,750 for the Shimadzu USA Manufacturing site as shown on the attached Exhibit "A", and including annual simple interest as set forth in Ordinance 903; and

BE IT FURTHER RESOLVED that the Logging Road Industrial Park Phase II project, located on SE 4th Avenue, is designated as and advanced financed improvement and said benefitting 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 a period of ten (10) years with rights of the City to extend this advanced financing program for two (2) additional five (5) year periods, as set forth in the Ordinance 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 15, 1997.


Scott Taylor
Mayor

ATTEST:


Marilyn K. Perkett
City Recorder

CITY OF CANBY
ADVANCE FINANCING ENGINEERING REPORT

Logging Road Industrial Park Phase II
Railroad Overpass Construction

January 1997

In 1993 the City of Canby initiated an application to the Oregon Economic Development Division to develop the first phase of the Logging Road Industrial Park. This work was ultimately approved for funding and construction was completed by June of 1996. This first phase of this three-phase project included infrastructure improvements to develop approximately 75 acres of previously undeveloped properties. Phase I provides the foundation for future industrial and residential development of the adjoining 375 acres by providing access to major transportation facilities and public utilities.

The first phase of the Logging Road Industrial Park was bounded by Highway 99E, Township Road, Pine Street and the Molalla Forest Road. Phase II is identified as the industrial area east of the Molalla Forest Road between Highway 99E, Township Road and Mulino Road. Phase III is the remaining industrial property east of the Molalla Forest Road and south of Township Road.

This report was prepared to comply with the requirements of the City of Canby "Advance Financing of Public Improvements" Municipal Code Chapter 4.12. The work proposed to be undertaken includes a portion of Phase II development, consisting of utilities and transportation facilities east of the Molalla Forest Road at SE 4th Avenue.

ADVANCE FINANCED PUBLIC IMPROVEMENTS

City Ordinance 903 attached identifies the City's procedures for implementing an Advance Financed Public Improvement District. Establishment of a District generally allows for construction of public improvements with a provision for collecting reimbursement from benefitted properties. This reimbursement becomes due only at the time the property owners apply for connection to the Advance Financed public improvement or apply for building permits for projects that utilize an Advance Financed public improvement.

Allocations of cost accrue at the rate of 7% per year until paid.

PROJECT SCOPE

This project, as shown on the attached map, includes an extension of SE 4th Avenue approximately 1,170 L.F. east of its current location. This extension will include an elevated bridge crossing of the existing railroad and extension of the existing paved roadway including all utilities and sidewalks. The extent of the improvements is intended to coincide with the easterly boundary of a portion of Tax Lots 790 and 1700 being developed by Shimadzu USA Manufacturing.

CITY OF CANBY
ADVANCE FINANCING ENGINEERING REPORT
Page Two

Utility line extensions are estimated at 500 L.F. pending completion of a current construction project by the adjoining property owner of Tax Lot 1100. These improvements are currently in the permitting process and will be incorporated into this Advance Financed project if not completed at the time of this construction. If incorporated, the cost of these improvements will also be allocated to the benefitted properties.

The project will be funded primarily by grants from the Oregon Department of Transportation and Oregon Economic Development Division. The District, through the City, incurs the obligation for repayment of the SPWF loan (17% of the cost).

Total project costs are estimated as follows:

Water System Improvements	500 L.F.	\$ 25,000
Sanitary Sewer Improvements	500 L.F.	25,000
Storm Sewer Improvements	1 Dry Well	6,000
Roadway Improvements & Bridge	1,170 L.F.	464,500
Public Utilities	1,170 L.F.	17,500
Engineering, Legal & Administration		108,000
Project Contingencies		<u>109,000</u>
Total Project Cost		\$755,000

If development of Tax Lot 1100 is not complete by March 1st to serve the District, the additional utility costs will include:

Water System Improvements	670 L.F.	\$33,500
Sanitary Sewer Improvements	670 L.F.	33,500
Railroad Bore	30"	20,000
Engineering, Legal & Administration		9,000
Project Contingencies		<u>9,000</u>
Additional Utility Expense		\$105,000

CITY OF CANBY
ADVANCE FINANCING ENGINEERING REPORT
Page Three

REVENUE SOURCES

The project costs are paid primarily by application of Oregon Department of Transportation. Immediate Opportunity Funds (I.O.F.) as well as Economic Development Division Special Public Works Funds (SPWF) for jobs creation. The anticipated breakdown of revenues is as follows:

O.D.O.T., IOF Grant	\$500,000
O.E.D.D., SPWF Grant	127,500
O.E.D.D., SPWF Loan	<u>127,500</u>
Total Revenues	\$755,000

The only major restriction on expending the Grant revenues, is that the O.D.O.T. funds are dedicated to roadway improvements and contingency. The SPWF grant and loan is designated for the remaining work for the Advance Financing reimbursements.

For utility extensions associated with the construction project on Tax Lot 1100, an additional source of funds is available from the City's system development charge; oversize reimbursement. For the additional utilities extensions, the anticipated revenues are:

Water SDC Reimbursement	1170 L.F. @ \$14/L.F.	\$ 16,400
Sanitary Sewer SDC Reimbursement	1170 L.F. @ \$18/L.F.	21,000
Interim Local Financing		<u>67,600</u>
Additional Utility Revenues		\$105,000

Reimbursement of loan expenses under the Advance Financed Public Improvements Ordinance will be required for the SPWF loan and, if necessary, the interim local financing. These costs will be borne by the City, allocated to the benefitted properties and reimbursed at the time private development occurs.

ADVANCE FINANCED DISTRICT ALLOCATION

As a result of the O.D.O.T. IOF grant covering the major project expenses, including the roadway and railroad overpass, the remaining benefits are allocated over a relatively small area. The costs included in the reimbursement primarily include the utilities associated with frontage improvements. As a result, the allocation only includes the properties abutting the improvements. Oversize components of the water and sewer are paid by the SDC reimbursements, therefore, no oversize utility costs are included in the allocations.

CITY OF CANBY
ADVANCE FINANCING ENGINEERING REPORT
Page Four

A second important component of the reimbursement allocations is that Shimadzu USA Manufacturing is committed to reimbursement of \$63,750. The 15 acres are anticipated to be partitioned from Tax Lots 31E34 790 and 1700. This allocation will be fixed at \$63,750 as their share under the reimbursement formula.

Allocation of the remaining SPWF expenses are as shown for the frontage properties, at \$1,720 per acre:

ALLOCATION OF SPWF LOAN

<u>Tax Lot</u>	<u>Name</u>	<u>Area</u>	<u>Reimbursement</u>
31E34	Shimadzu USA Manufacturing 7102 Riverwood Dr. Columbia, MD 21046	15 AC	\$ 63,750
31E34 1700	Ray Burden 23230 S. Hwy 99E Canby, OR 97013	22.8 AC	\$39,216
31E34 1100	Boyer Top Soil, Inc. 2001 S. Township Rd. Canby, OR 97013	12.4 AC	\$21,328
31E34 1600	Redding LBR Transport, Inc. PO Box 2221 Redding, CA 96099	1.9 AC	\$3,268
Total		52.1	\$127,562

If the Advance Financed project also includes the interim financed utilities for development of Tax Lot 1100, the allocation will be modified to incorporate the additional costs. This cost will be assessed to the adjoining properties at a rate of \$3,540 per acre, given the Shimadzu allocation of \$63,750.

CITY OF CANBY
ADVANCE FINANCING ENGINEERING REPORT
Page Five

The allocations with the additional utility work are as shown below :

ALLOCATION OF SPWF & INTERIM FUNDING

<u>Tax Lot</u>	<u>Name</u>	<u>Area</u>	<u>Reimbursement</u>
31E34	Shimadzu USA Manufacturing 7102 Riverwood Dr. Columbia, MD 21046	15 AC	\$ 63,750
31E34 1700	Ray Burden 23230 S. Hwy 99E Canby, OR 97013	22.8 AC	\$80,712
31E34 1100	Boyer Top Soil, Inc. 2001 S. Township Rd. Canby, OR 97013	12.4 AC	\$43,896
31E34 1600	Redding LBR Transport, Inc. PO Box 2221 Redding, CA 96099	1.9 AC	\$6,726
	Total	52.1	\$195,084


These allocations will be reviewed upon project completion and adjusted to the final costs.

A public hearing for formation of this District is scheduled for 7:30 PM on Wednesday, January/5, 1997.

ATTACHMENTS

The attached plates include the tentative roadway alignment and the map of the benefitted areas, and a copy of the Advanced Financed Public Improvements Ordinance.

Prepared by CURRAN-McLEOD, INC.


Curt J. McLeod, P.E.

CITY OF CANBY
LOGGING ROAD INDUSTRIAL PARK
PHASE II IMPROVEMENTS
S.E. 4TH AVENUE IMPROVEMENTS
CLACKAMAS COUNTY, OREGON

