

**ORDINANCE NO. 982**

**AN ORDINANCE ESTABLISHING PROCEDURES FOR THE CREATION OF AN ECONOMIC IMPROVEMENT DISTRICT, AND DECLARING AN EMERGENCY.**

**WHEREAS**, ORS 223.112-223.161 grants authority to cities to establish procedures for the creation of economic improvement districts; and

**WHEREAS**, such economic improvement districts are found by the City Council to be valuable tools in the promotion of commercial activities and the economic well-being of the city as a whole; and

**WHEREAS**, The Canby City Council therefore wishes to exercise the authority granted by statute to adopt such procedures; Now therefore,

**THE CITY OF CANBY ORDAINS AS FOLLOWS:**

Section 1. Definitions: The following words and phrases, when used in this ordinance shall have the following meanings, except where the context requires otherwise:

A. "Economic Improvement" means:

- 1.) the planning or management of development or improvement activities;
- 2.) landscaping, maintenance and provision of security for public areas;
- 3.) the promotion of commercial activity or public events;
- 4.) the conduct of activities in support of business recruitment and development;
- 5.) the provision of improvements in parking systems or parking enforcement;
- 6.) any other economic improvement activity that specially benefits property.

B. "Economic Improvement Plan" means a plan prepared by the property owners or tenants within the proposed district or their designees setting out:

- 1.) a description of economic improvements proposed to be carried out;
- 2.) the number of years, to a maximum of five, in which assessment are proposed to be levied;
- 3.) a preliminary estimate of annual cost of the proposed economic improvements;

4.) the proposed boundaries designated by map or perimeter description of an economic improvement district within which subject properties would be assessed to finance the cost of the economic improvement;

5.) the proposed formula for assessing the cost of economic improvements against subject properties, which formula may be either an assessment based on the assessed value of the property involved or a business license fee on any business, trade, occupation or profession carried on or practiced in the economic improvement district, or both such assessment and business license fee;

6.) a statement whether the property assessment will be a voluntary assessment or mandatory assessment; and

a.) if voluntary, that the scope and level of improvements could be reduced depending on the amount of money collected; or

b.) if mandatory, that the assessment will be considered a tax under the Oregon Constitution, Article XI Section 11(b) and may be reduced to fit within the property tax limitation thereby affecting the level and scope of services described;

C. "Owner" means the owner of the title to real property or the contract purchaser of record as shown on the last available complete assessment role in the office of the County Assessor.

D. "Subject property" means the real property within the economic improvement district except for exempt property.

E. "Exempt property" means residential real property and any portion of a structure used for residential purposes and, in addition, those properties exempt from general property taxation under State law.

**Section 2.** The City Council shall consider creation of an economic improvement district whenever owners of such properties file with the City Recorder a petition for the establishment of a district containing the signatures of the owners of 33% or more of the area of the assessed value of subject properties within the proposed district, or when the City Council, on its own motion, decides to undertake the consideration of such district. Any petition filed by the owners as set forth above shall contain a proposed economic improvement plan. If the Council, on its own motion, decides to consider such a district, it shall instruct the City staff to prepare such economic improvement plan.

**Section 3.** After filing of the aforementioned petition or motion of the Council to consider an economic improvement district, the City Council shall schedule a public hearing to be held on the question of establishment of such a district. Notices of the proposed hearing shall be mailed or delivered personally to affected property owners and/or business owners, and shall announce the intention of the Council to construct or undertake the economic improvement project and to assess benefitted properties or

impose a business licence fee for a part or all of the cost. The notice shall state the time and place of the public hearing. This hearing shall be set not sooner than thirty (30) days after the mailing or delivery of said notices to the affected property owners.

**Section 4.** If, after the hearing held pursuant to Section 3 herein, the City Council determines that the economic improvements would afford special and peculiar benefit to subject parcels within the economic improvement district different in kind or degree from that afforded to the general public, and that the economic improvement district should be established, then the City council may adopt an ordinance stating those findings and establishing the district. The Council shall then determine whether the property benefitted shall bear all or a portion of the cost, and shall require notice of such proposed assessment or business license fee to be mailed or personally delivered to the owner of each lot to be assessed or business to be charged, which notice shall state the amount of the assessment proposed on the property of the owner receiving the notice, or the charge to the owner of the business receiving the notice. The notice shall state the time and place of a second public hearing at which affected property owners or business owners may appear to support or object to the proposed charge. Said second hearing shall not be held sooner that thirty (30) days after the mailing or personal delivery of the notices.

At such hearing, the Council may consider objections and may adopt, correct, modify or revise the proposed assessments or charges.

The ordinance will also provide that the assessments will not be made and the economic improvement project will be terminated when written objections are received at the second public hearing from owners of property upon which more than 33% of the total amount of assessments is levied, or if a business license fee is charged, from more than 33% of persons conducting business within the economic improvement district who will be subject to the proposed license fee.

**Section 5.** Pursuant to the requirement as set forth above, an assessment ordinance may, at the discretion of the Council, provide that:

(a) when the Council receives written objections at the second public hearing only from owners of property upon which less than 33% of the total amount of assessments is levied, the economic improvement project may be undertaken or constructed, but that assessment shall not be levied on any lot or parcel of property if the owner of that property submitted written objection at the public hearing.

Notwithstanding any other provision of law, an owner of property who fails to submit written objections at the public hearing as provided for in the ordinance shall be deemed to have made a specific request for the economic improvement services to be provided during the period of time specified in the assessment ordinance.

(b) the Council, after excluding from assessment property belonging to such owners, shall determine the amount of the assessment on each of the remaining lots or parcels in the district.

**Section 6.** If written objections in the requisite 33% are not received as provided above, the City Council may adopt a final ordinance levying the appropriate assessments or business license charge. Upon adoption of the final ordinance, the City Recorder shall enter each such assessment in the docket of city liens. All such assessments shall be collected in the same manner as local improvement assessments. Failure to pay may result in foreclosure in the same manner as provided for other such assessments.

**Section 7.** Any assessment ordinance adopted as herein provided may require creation, for each economic improvement district, of an advisory committee to allocate expenditure of monies for economic improvement activities within the scope of this ordinance. If an advisory committee is created, the Council shall strongly consider appointment of owners of property within the economic improvement district to the advisory committee. An existing association of property owners or tenants may enter into agreement with the City to provide the proposed economic improvement.

**Section 8.** Money derived from assessments or fees levied under the procedures set forth in this ordinance shall be spent only for the economic improvements set forth in the Economic Improvement Plan and for the cost of city administration of the economic improvement district.

**Section 9. Emergency Declared.**

It being necessary for the health, safety and general welfare of the citizens of Canby, that procedures regarding the formation of economic development improvement districts be implemented, an emergency is hereby declared to exist and this ordinance shall take effect immediately upon its enactment after final reading.

**SUBMITTED** to the Canby City Council and read the first time at a regular meeting thereof on Wednesday, December 17, 1997, and ordered posted in three (3) public and conspicuous places in the City of Canby as specified in the Canby City Charter and to come before the City Council for final reading and action at a regular meeting thereof on Wednesday, January 7, 1997, commencing at the hour of 7:30 P.M. in the Council Meeting Chambers at Canby City hall in Canby, Oregon.

  
Marilyn Perkett  
City Recorder

**PASSED** on second and final reading by the Canby City Council at a regular meeting thereof on the 7th day of January, 1997, by the following vote:

YEAS 6

NAYS 0

Walter R. Daniels

Walter Daniels, Council President

**ATTEST:**

Marilyn Perkett  
Marilyn Perkett, City Recorder