

LEBANON CITY COUNCIL AGENDA

Revised: 1/11/17

January 11, 2017 (5:00 p.m.)

**Santiam Travel Station
750 3rd Street, Lebanon, Oregon**

Mayor Paul Aziz

*Councilor Jason Bolen
Councilor Robert Furlow*

*Council President Bob Elliott
Councilor Rebecca Grizzle*

*Councilor Floyd Fisher
Councilor Wayne Rieskamp*

MISSION STATEMENT

The City of Lebanon is dedicated to providing exceptional services and opportunities that enhance the quality of life for present and future members of the community.

Cancelled

5:00 P.M. – CALL TO ORDER WORK SESSION: *(City of Lebanon Work Sessions are less formal meetings that enable the Council to focus on and explore in detail a topic with staff and/or consultants. Like regular Council meetings, citizens are encouraged to attend and observe work sessions. Unlike regular Council meetings, work sessions do not include public hearings or other opportunities for citizen comments. Should action be required, that topic would be brought back to the next available regular session, at which time citizens would have the opportunity to comment before a formal action is taken.)*

Transportation System Plan – *presented by Walt Wendolowski, Community Development Director with DKS Senior Project Manager Reah Flisakowski, PE and Transportation Planner Kevin Chewuk, PTP*

ADJOURN WORK SESSION

6:00 P.M. – CITY COUNCIL REGULAR SESSION

CALL TO ORDER / FLAG SALUTE

ROLL CALL

OATH OF OFFICE (Newly Elected Officials) – by Linda Kaser, City Clerk

ELECTION OF COUNCIL PRESIDENT

APPROVAL OF COUNCIL MINUTES: December 14, 2016 Regular Session Minutes

CONSENT CALENDAR: *The following item(s) are considered routine and will be enacted by one motion. There will not be a separate discussion of these items unless a Councilor so requests. In this case, the item(s) will be removed from the Consent Calendar and considered separately.*

AGENDA:	Lebanon City Council Agenda – January 11, 2017
AGREEMENTS:	Local Marijuana Tax Collection IGA Revision
EASEMENT/ROW DEDICATION:	Airport Road/Russell Drive Improvements Project
LIQUOR LICENSE:	Conversion Brewing Company – Extension of Premises to Exterior Property
ROW VACATIONS:	Jennings Street/Williams Street



PUBLIC COMMENTS: *An opportunity for citizens to comment on items discussed at the earlier Work Session or any other city business. This Council welcomes all respectful comments regarding the City's business. Citizens may address the Council by approaching the microphone, signing in, and stating their name and address for the record. Each citizen is provided up to 5 minutes to provide comments to the Council. The Council may take an additional two minutes to respond. The City Clerk will accept and distribute written comments at a speaker's request.*

PUBLIC HEARING:

[Temporarily adjourn as the Lebanon City Council and convene as the Urban Renewal Agency Board]

1) Cheadle Lake Urban Renewal Amendment (Continuance)

Presented by: Walt Wendolowski, Community Development Director

Approval/Denial by ORDINANCE BILL NO. 2017-1, ORDINANCE NO. 2889

[Adjourn as the Urban Renewal Agency Board and reconvene as the Lebanon City Council]

REGULAR SESSION:

2) Republic Services Rate Amendments

Presented by: Gary Marks, City Manager and Julie Jackson, Republic Services

Approval/Denial by MOTION

3) Approval to Purchase Property for Future Roadway (Crowfoot Drive Project)

Presented by: Ron Whitlatch, Engineering Services Director

Approval/Denial by MOTION

4) Establishing Marijuana Licensing Policy Relating to the results of Measure 22-147

Presented by: Walt Wendolowski, Community Development Director

Approval/Denial by ORDINANCE BILL NO. 2017-2, ORDINANCE NO. 2890

5) Amendment to Include E-Cigarettes in the Definition of Smoking

Presented by: Tre Kennedy, City Attorney

Approval/Denial by ORDINANCE BILL NO. 2017-3, ORDINANCE NO. 2891

6) Cheadle Lake Foundation Proposal to Transfer Park Ownership

Presented by: Gary Marks, City Manager

Discussion

7) City Manager's Report

Presented by: Gary Marks, City Manager

Discussion

ITEMS FROM COUNCIL

PUBLIC COMMENTS: *An opportunity for citizens to comment on items of city business.*

ITEMS FROM PRESS: *An opportunity for the Press to ask questions pertaining to city business.*

NEXT SCHEDULED COUNCIL MEETING(S)

- February 8, 2017 (6 p.m.) Regular Session
- February 22, 2017 (Noon) City Council Goal Setting Session
- March 8, 2017 (6 p.m.) Regular Session

ADJOURNMENT



Approval of Minutes

**LEBANON CITY COUNCIL
MINUTES – DRAFT
December 14, 2016**

Council Present: Council President Bob Elliott, Councilors Floyd Fisher, Robert Furlow, Rebecca Grizzle and Wayne Rieskamp

Staff Present: City Attorney Tré Kennedy, City Manager Gary Marks, Police Chief Frank Stevenson, Community Development Director Walt Wendolowski and Finance Director Dean Baugh

CALL TO ORDER: Council President Elliott called the Regular Session of the Lebanon City Council to order at 6:00 p.m. in the Santiam Travel Station Board Room.

ROLL CALL: Roll call was taken with Mayor Aziz and Councilor Bolen absent.

APPROVAL OF CITY COUNCIL MINUTES

Councilor Grizzle moved, Councilor Rieskamp seconded, to approve the November 9, 2016 Regular Session Minutes as presented. The motion passed unanimously.

CONSENT CALENDAR

<i>AGENDA:</i>	City of Lebanon Council Agenda – December 14, 2016
<i>APPOINTMENTS:</i>	CWACT – Councilor Bob Elliott & Rob Emmons
<i>BOARD MINUTES:</i>	Library Advisory Board – October 11, 2016 Parks Committee/Tree Board – August 24, 2016 Planning Commission – October 19, 2016
<i>CERTIFIED ELECTION RESULTS:</i>	Memo with Abstract of Votes
<i>EASEMENTS & ROW:</i>	Airport Road/Russell Drive Project
<i>LIQUOR LICENSE:</i>	Taqueria Dos Arbolitos, 50 W. Oak St., Change of Location

Councilor Grizzle moved, Councilor Furlow seconded, to approve the Consent Calendar as presented. The motion passed unanimously.

PUBLIC COMMENTS – *There were none.*

REGULAR SESSION

[Council President Elliott temporarily adjourned as the Lebanon City Council and convened as the Urban Renewal Agency Board]

1) Samaritan Campus Economic Development Agreement Amendment

Community Development Director Wendolowski provided history and presented a proposed resolution to amend the economic development agreement between Samaritan Health Services and the Lebanon Urban Renewal Agency. Both fully agree on the following modifications:

- The Mullins Drive extension, a private street adjacent to the hotel and extending to 5th Street, was well-constructed and is suitable as a public street, but it was not included in the initial list of projects. Samaritan Health is requesting that this be included in the project list, thereby becoming a reimbursable expense.
- Initially, the loan interest rate was a function of the prime rate plus additional percentage points – this rate could not fall below 4% or exceed 8%. The Agency is requesting that this be fixed at 4.25%.

City Manager Marks stated that a Samaritan Health Services representative is available to answer any questions.

City Attorney Kennedy read the title of RESOLUTION NO. 2016-37. ***Councilor Furlow moved, Councilor Fisher seconded, to APPROVE RESOLUTION NO. 2016-37, A RESOLUTION TO AMEND THE ECONOMIC DEVELOPMENT AGREEMENT BETWEEN SAMARITAN HEALTH SERVICES AND THE CITY OF LEBANON. The motion passed unanimously.***

PUBLIC HEARINGS

2) Cheadle Lake Urban Renewal Amendment

Wendolowski reported that consultant Elaine Howard was unable to attend due to the inclement weather, so staff is requesting that this hearing be continued to January 11, 2017 at 6:00 p.m.

Council President Elliott opened the public hearing at 6:10 p.m. There were no objections to the notice that was sent out or to the jurisdiction of this body to hear and consider the case.

Councilor Grizzle moved, Councilor Rieskamp seconded, to Continue the Public Hearing at the regularly scheduled Council Meeting – January 11, 2017 at 6:00 p.m. The motion passed unanimously.

[Council President Elliott adjourned the Urban Renewal Agency Board and reconvened as the Lebanon City Council]

3) Amending City Fees Schedule

Finance Director Baugh reviewed the proposed changes to the City fees schedule:

- While medical marijuana dispensary licenses were added to the fee schedule and approved at the January 2016 Council meeting, it was inadvertently left off of the June 2016 fee schedule. This will correct the record.
- Staff recommends amending the resolution to remove the word “medical” for the marijuana dispensary licenses fee to avoid coming back to Council next month. This fee would then apply to both medical and recreational marijuana.
- The proposed fee schedule eliminates the deposit requirement on utility accounts where the payment is the responsibility of and is received from the property owner (\$200 deposit for owners refundable after 12 months of good payment history and \$300 deposit for owners with bad payment history). If this resolution is approved, staff will try to apply the utility deposit refunds to bills sent out at the end of December.
- The proposed fee schedule also removes the Library reservation fee of \$0.50 and adds a reshelving fee of \$0.50.
- Staff also recommends amending the resolution to add a \$200 fee to repair a damaged angle stop.

Baugh confirmed for Councilor Grizzle that breaking an angle stop would have to be a purposeful act.

Kennedy read the title of RESOLUTION NO. 2016-38. *Councilor Rieskamp moved, Councilor Grizzle seconded, to AMEND RESOLUTION NO. 2016-38 ADDING A \$200 FEE FOR REPAIRING A BROKEN ANGLE STOP (PAGE 8 of 8 WITHIN WATER/WASTEWATER SPECIAL SERVICE FEES – METER EQUIPMENT/SERVICE CHARGES). The motion passed unanimously.*

Councilor Grizzle moved, Councilor Rieskamp seconded, to AMEND RESOLUTION NO. 2016-38 REMOVING THE WORD “MEDICAL” FROM THE MARIJUANA DISPENSARY LICENSES (PAGE 3 of 8 WITHIN BUSINESS/CITIZEN SERVICES & DEVELOPMENT CENTER FEES). The motion passed unanimously.

Councilor Grizzle moved, Councilor Furlow seconded, to APPROVE RESOLUTION NO. 2016-38, A RESOLUTION AMENDING FEES AND CHARGES FOR CITY SERVICES AND REPEALING EXHIBIT A “FEE SCHEDULE” OF RESOLUTION NO. 2016-13 AS AMENDED. The motion passed unanimously.

REGULAR SESSION

4) **Voice Activated & Mobile App for Utility Billing Payments** – *Because of the inclement weather, this item was postponed to the January Council meeting.*

5) **Establishing Marijuana Licensing Policy Relating to the results of Measure 22-147**

Wendolowski reported that staff will be bringing back, in January, amendments to Chapter 5.22 (Medical Marijuana Facilities) that will address retail sales. He anticipates that most of the rules (location, hours of operation, need for licensing, etc.) will be fairly similar. An issue will be the production, processing, storage, and warehousing, which we will likely see in the industrial zones.

6) **Repealing Marijuana Ordinances**

Kennedy presented an ordinance that revokes LMC 5.50 which codified the moratorium on medical marijuana facilities. The Council previously voted to allow medical marijuana facilities pursuant to Resolution No. 2015-32.

This ordinance also revokes Ordinance No. 2863, which prohibited recreational marijuana, pending a referendum vote. Based on the result of that election, Council should revoke its previous ban to comply with Oregon law. The effective date of this ordinance is 30 days from passage which will allow staff time to prepare and submit to Council regulations relating to the licensing of recreational marijuana facilities.

Wendolowski confirmed for Councilor Furlow that there has been a lot of interest in recreational marijuana facilities within the City.

Kennedy read the title of ORDINANCE BILL NO. 2016-19, ORDINANCE NO. 2888. *Councilor Grizzle moved, Councilor Rieskamp seconded, to APPROVE ORDINANCE BILL NO. 2016-19, ORDINANCE NO. 2888, A BILL FOR AN ORDINANCE REPEALING LEBANON MUNICIPAL CODE CHAPTER 5.50, ORDINANCE NUMBER 2850, AND ORDINANCE NUMBER 2863. The motion passed unanimously.*

7) **Approving an Intergovernmental Agreement to Collect Local Marijuana Taxes Relating to the results of Measure 22-147**

Kennedy presented, from the League of Oregon Cities, a general form of an intergovernmental agreement with the Department of Revenue, who would act as tax collector for the local government. After reviewing the intergovernmental agreement and the League of Oregon Cities FAQ, he believes it would be beneficial to the City.

Marks and Baugh both recommended moving forward with this proposed IGA.

Councilor Rieskamp moved, Councilor Grizzle seconded, to AUTHORIZE THE CITY MANAGER TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE DEPARTMENT OF REVENUE FOR COLLECTION OF LOCAL MARIJUANA TAXES. The motion passed unanimously.

8) City Manager's Report – Marks provided updates:

Goal Setting Session – Marks reminded everyone about the Goal Setting Session on February 22nd at noon. He and the Department Directors will be bringing recommendations on Strategic Plan action items.

Arts Commission – There has been great deal of interest in becoming members of the Arts Commission. The hope is to have a list of recommended appointees at the January Council meeting.

ITEMS FROM COUNCIL

- **Budget Committee Members** – Baugh reported that Budget Committee members are needed – two from Ward 1 and one from Ward 3.

Mr. Wright (Ward 3) had to resign for personal reasons, but he expressed an interest in being on the Committee next year. The Council can either keep him on the Committee, although he will miss this year's meeting, or fill that position. Because there is a lot of information to go through for one year, Councilor Grizzle stated that she does not have an issue if someone has to be gone for one meeting; it is a lot easier than having someone come on board for only a year.

Baugh stated that Todd Gestrin's term ends this month; he sent in his application for reappointment.

PUBLIC COMMENTS – *There were none.*

ITEMS FROM PRESS – *There were none.*

NEXT SCHEDULED COUNCIL MEETING(S)

- January 11, 2017 (6 p.m.) Regular Session
- February 8, 2017 (6 p.m.) Regular Session

ADJOURNMENT

Council President Elliott adjourned the meeting at 6:35 p.m.

[Minutes prepared by Linda Kaser & Donna Trippett]

Minutes Approved by the Lebanon City Council on this 11th day of January 2017.

Paul R. Aziz, Mayor
Bob Elliott, Council President

ATTESTED:

Linda Kaser, City Clerk

Consent Calendar

Agreements



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MEMORANDUM

City Clerk's Office

To: Mayor Aziz and City Council

Date: January 5, 2017

From: Linda Kaser, City Clerk

Subject: Amendments to Local Marijuana Tax Collection IGA

Council approved the original Oregon Department of Revenue (DOR) intergovernmental agreement for collecting Marijuana Tax at the December 14, 2016 Council Meeting.

Staff recently received notification from the DOR notifying us of a few minor amendments that are needed to the intergovernmental agreement:

- 1) In the definitions section, there was a citation change from Exhibit A to Exhibit B; and
- 2) The confidentiality section (section 15) has a provision added that allows DOR to request updated secrecy certificates as needed, rather than annually.

Council Action: *Approve the amendments under the January 11, 2017 Consent Calendar.*

/lgk

MARIJUANA TAX COLLECTION AGREEMENT

This Marijuana Tax Collection Agreement (“Agreement”) is entered into between the State of Oregon, acting by and through its Department of Revenue (the “Department”) and the City of Lebanon (“City”), under the authority of ORS 305.620.

In consideration of the conditions and promises hereinafter contained, it is mutually agreed by the parties that the Department shall supervise and administer, according to the terms and conditions set forth in this Agreement, the Local Tax on sales of marijuana items by Marijuana Retailers authorized under ORS 475B.345 and approved by the voters of City.

(1) Definitions. As used in this Agreement the following terms have the meanings ascribed to them:

(a) “Confidential Information” means the information on Local Tax returns administered pursuant to ORS 305.620, any information in the reports required under Sections 8 and 9 of this Agreement from which information about a particular Local Taxpayer is discernable from the report due to a small number of Local Taxpayers in City or similar factors, and any other information exchanged between the Department and City related to this Agreement, that is confidential under ORS 314.835.

(b) “Fees” means collectively the Administrative Services Fee, the Business Fee and the Core Systems Replacement Fee described in Section 5 of this Agreement.

(c) “Local Government” means a city or county that has entered into a form of this agreement with the Department under the authority of ORS 305.620 for the Department to collect Local Taxes authorized under ORS 475B.345.

(d) “Local Tax” or “Local Taxes” means the Marijuana Tax imposed by City, together with any additional interest or penalties provided for by statute or the Department’s rules; it does not include any additional penalties or fees that City may assess against its Local Taxpayers.

(e) “Local Taxpayer” means a licensed Marijuana Retailer located in the taxing jurisdiction of City.

(f) “Marijuana Retailer” has the meaning given in ORS 475B.015.

(g) “Marijuana Tax” means the tax imposed on sales of marijuana items by Marijuana Retailers pursuant to ORS 475B.345.

(h) “Marijuana Taxpayer” means a licensed Marijuana Retailer that is subject to the Marijuana Tax imposed by a Local Government.

(i) “Ordinance” means the ordinance adopted by the governing body of City and approved by the voters of City on 11/8/2016, a copy of which is attached hereto as **Exhibit B** and by this reference incorporated herein.

(2) General Administration. The Department shall be responsible for all aspects of Local Tax administration, including, but not limited to, adopting administrative rules; auditing

returns; assessing deficiencies and collecting the Local Tax and penalties and interest under applicable statutes, including but not limited to ORS 305.265, ORS 305.220, and ORS 314.400; making refunds; holding conferences with Local Taxpayers; handling appeals to the Oregon Tax Court; issuing warrants for the collection of unpaid taxes; determining the minimum amount of Local Tax economically collectible; and taking any other action necessary to administer and collect the Local Taxes. The Department has adopted rules addressing the requirements for paying taxes with currency and other matters related to the taxation of marijuana under ORS chapter 475B. City understands and agrees that such rules will be applied to Local Taxpayers.

(3) **Level of Service**. In performing its duties, the Department may in its sole discretion determine what action shall be taken to enforce provisions of the law and to collect the Local Tax. In exercising its discretion, the Department shall provide a level of services that are comparable to the level of services it provides in the administration of the State of Oregon marijuana tax laws and the collection of such taxes owed to the State of Oregon. If the Department deems it necessary to vary substantially from this standard, the Department shall first notify City of the need and obtain City's consent. The Department shall provide all forms necessary for implementation of the Local Tax, including forms for Marijuana Tax returns, exemptions and refunds.

(4) **Transfer of Taxes to City**. Beginning at the end of the first full quarter after execution of this Agreement, the Department shall remit to City the amount of Local Taxes collected in the preceding quarter less amounts withheld to pay the Department's Fees and other costs as described in this Agreement within 60 days of the return due date for the quarter. The Department shall notify City if, because of inability to move funds electronically or otherwise through the banking system, a force majeure event described in Section 26 of this Agreement or other exigent circumstance, the Department is unable to transfer the Local Tax collected to City as provided in this Section. In that event, the Department shall provide an estimate, if possible, of when it expects to be able to transfer the Local Taxes collected to City. The Department may enter into an agreement with another state government agency to fulfill the requirements of this Section 4, provided that said government agency can comply with the requirements of this section.

(5) **Costs**. In order to recover its costs to collect and transfer the Local Tax as provided in this Agreement the Department shall be paid the following three fees:

(a) "Administrative Services Fee": Pays for the establishment and maintenance of financial systems needed to administer and distribute Local Taxes. The fee shall be calculated annually as a percentage of the equivalent of 60 hours of work conducted for the Department of Revenue by the Department of Administrative Services, divided among the Local Governments in proportion to the number of Marijuana Taxpayers in each Local Government.

(b) "Business Fee": Pays for the Local Tax administration activities set forth in this Agreement. The fee shall be calculated as a percentage of the Department's Business Division annual expenses for the administration of all marijuana taxes, with the total fee increasing in direct proportion to the number of Local Taxpayers. The total amount per Local Taxpayer billed

to City under the Business Fee shall not exceed 0.05 percent of the Department's Business Division expenses for the administration of all marijuana taxes;

(c) "Core Systems Replacement fee": Charged only one time after execution of this Agreement and calculated as a flat fee per Local Taxpayer. The total Core Systems Replacement Fee shall not exceed two hundred dollars (\$200.00) per Local Taxpayer in the first full quarter following execution of this Agreement.

FOR EXAMPLE, in a hypothetical with the following assumptions:

250 Marijuana Taxpayers

50 Local Taxpayers in the City of Mainville

2 Local Taxpayers in the City of Middletown

Business Division's Marijuana Expenses: \$500,000 per year

Hourly DAS rate: \$99/hour

The fees would be calculated as follows:

Administrative Services Fee = $(\$99/\text{hour} * 60 \text{ hours}) / 250 \text{ Marijuana Taxpayer} =$
\$23.76 per Local Taxpayer per year

Business Fee = $\$500,000 \text{ in marijuana expenses per year} * 0.05\% =$ \$250 per
Local Taxpayer per year

Core Systems Replacement Fee = \$200 per Local Taxpayer, one time

City of Mainville, year 1: $(\$23.76 \text{ Administrative Services Fee} + \250 Business
 $\text{Fee} + \$200 \text{ Core Systems Replacement Fee}) * 50 \text{ Local Taxpayers} =$ \$23,688 in
costs

City of Mainville, subsequent years: $(\$23.76 \text{ Administrative Services Fee} + \250
 $\text{Business Fee}) * 50 \text{ Local Taxpayers} =$ \$13,688 in costs

City of Middletown, year 1: $(\$23.76 \text{ Administrative Services Fee} + \250 Business
 $\text{Fee} + \$200 \text{ Core Systems Replacement Fee}) * 2 \text{ Local Taxpayers} =$ \$947.52 in
costs

City of Middletown, subsequent years: $(\$23.76 \text{ Administrative Services Fee} +$
 $\$250 \text{ Business Fee}) * 2 \text{ Local Taxpayers} =$ \$547.52 in costs

(e) In addition to the Fees described above, the Department may withhold or invoice City for the Department's costs to administer extraordinary services not described in this Agreement related to the Local Tax; such extraordinary costs may include, without limitation, requests for audits from City that exceed the scope of the Department's normal audit procedures, requests for research or advice from the Department or the Oregon Department of Justice attorneys, or specially appointed counsel, regarding the Local Tax.

(f) If the Department determines that its costs cannot be covered by the maximum fees outlined in this Section 5, the Department will notify City of the amount by which the Department has determined the Fees must increase. If the Department and City do not agree upon a Fee increase and related amendment to this Agreement, then this Agreement may be terminated by either party in accordance with Section 16 of this Agreement.

(g) The Department shall not collect more in fees than its costs to administer the Local Tax, per ORS 305.620(5). It is using the above formula in the interests of producing its best estimate of costs.

(6) Withholding for Fees and Rebate. The Department shall withhold from the Local Taxes collected and each transfer to City an amount equal to four percent (4%) of the Local Taxes collected. In the first quarter of each calendar year the Department will reconcile the amounts withheld in the previous year with the total fees assessed, and provide such reconciliation in the Department's annual report described in Section 9 of this Agreement. If the amount withheld in a calendar year exceeds the amount of the Department's Fees, the Department will rebate the balance of the Local Taxes withheld to City by the end of the first quarter following the year of withholding. If the amount withheld does not cover the Department's Fees for the preceding year, the amount of the shortfall will be withheld from subsequent transfers of Local Taxes collected until the Department's Fees are fully paid, or in its discretion the Department may invoice City for the unpaid amount of the Department's Fees.

(7) Recovery of Overpayments. If the amount of Local Taxes paid to City under this Agreement, exceed the amount to which City is entitled, the Department may, after notifying City in writing, withhold from later payments due City under this Agreement, such amounts, over such periods of time, as are necessary to recover the amount of the overpayment.

(8) Department Quarterly Reports. Beginning with the first full calendar quarter after the execution of this Agreement and continuing each calendar quarter thereafter, within sixty (60) days after the due date for quarterly Local Tax returns, the Department shall provide City with a report indicating the amount of Local Taxes collected, any extraordinary costs assessed, the amount withheld under Section 6 of this Agreement and the cumulative amount of delinquent Local Taxes for each Marijuana Retailer in City's jurisdiction. The information in this report must be treated as potentially revealing Confidential Information, and shall be protected as described in Section 15. City should make all efforts to prevent Confidential Information from being released. The Department and City shall disclose any non-confidential information in a report when required to do so by law, including the Oregon Public Records Law, ORS 192.410 to 192.505.

(9) Department Annual Reports. In the first calendar quarter of each year, the Department shall make a written annual report of the preceding calendar year to City showing the total amount of Local Taxes collected, refunds paid, the expenses of administering and collecting the Local Tax, and other pertinent information. The report shall show the total amount withheld by the Department under Section 6 of this Agreement, and shall show the Department's expenses by its Fee categories. In such report, the Department shall also make recommendations

concerning changes in Local Tax Ordinances, procedures, policies, Local Tax administration and related matters, as the Department deems necessary and appropriate. The information in this report must be treated as potentially Confidential Information, and shall be protected as described in Section 15. City should make all efforts to prevent Confidential Information from being released. The Department and City shall disclose any non-confidential information in the report when required to do so by law, including the Oregon Public Records Law, ORS 192.410 to 192.505.

(10) City Reports. Within sixty (60) days of the effective date of this Agreement, City shall provide the Department with a list of Local Taxpayers in its jurisdiction and a list of zip code areas that are within its jurisdiction for purposes of imposing the Local Tax. City shall provide an updated list of Local Taxpayers to the Department each calendar quarter thereafter. City shall review all reports and reconciliations provided by the Department and promptly notify the Department of any perceived errors or omission in such reports.

(11) Records Maintenance and Access. Each party shall maintain its records relevant to this Agreement, the Local Taxes and Local Taxpayers for the period of time specified and in the manner required under the document retention and archiving requirements applicable to it that are established under ORS 192.005 to 192.170. Upon written request, each party may examine the records of the other party at a time and location that is convenient and without extra cost to the holder to the records; provided, however, any requests for records made in connection with litigation or other efforts to collect the Local Tax shall be immediately provided in the time and manner requested.

(12) Ordinance and Notification of Changes. Contemporaneous with the execution of this Agreement, City shall provide a copy of the Ordinance to Department for incorporation into this Agreement as Exhibit B. In order to insure consistency in administration of the Local Tax, each party shall notify the other of any change in the Ordinance and any state or local regulations or rulings interpreting the Local Tax or the Ordinance, any changes in rates or changes in the City's boundary at least ninety (90) days prior to the effective change, unless it is not legally possible to provide ninety (90) days' notice or both parties mutually agree to effect such changes in less than ninety (90) days. Each party shall notify the other of any change in administration of the Local Tax under this Agreement. The parties shall cooperate in amending the Ordinance or in seeking amendments to ORS 475B.345 or ORS 305.620 which they deem necessary.

(13) Information. The parties will cooperate in the exchange of information and making public announcements to facilitate effective administration of the Local Tax and maintain consistency in public announcements and information. Policy announcements, announcement of changes in the Ordinance, and all correspondence relating to public relations will be handled by City. The Department shall promptly notify City of any matter arising in the administration of the Marijuana Tax that would require any legislative change or affect City's policy, including any policy that relates to the amount of Local Tax collected. Nothing in this section shall prohibit the Department from conducting its own outreach activities to increase awareness and knowledge of local tax obligations.

(14) Limits and Conditions. To the extent limited by applicable provisions of Article XI of the Oregon Constitution or other governing law, and within the limits of the Oregon Tort Claims Act applicable respectively to the Department and City, each party shall indemnify the other for damage to life or property arising from their respective duties and obligations under this Agreement, provided neither party shall be required to indemnify the other for any such liability arising out of a party's own negligent or wrongful acts.

(15) Confidentiality.

(a) Confidential Information may be disclosed only to City as principal, by the Department as its agency, for purposes of carrying out the administration of the Local Tax imposed by City. Requests for Confidential Information shall be made by City by giving not less than ten (10) days' notice to the Department, stating the information desired, the purposes of the request, and the use to be made of such information. If the compilation of information is not feasible, the Department shall so advise City.

(b) ORS 314.840(3) requires that employees and representatives of City who receive Confidential Information must be advised in writing of the provisions of ORS 314.835 and 314.991(3), relating to the penalties for unlawful disclosure. Prior to being given access to Confidential Information, all City employees involved in the performance of this Agreement must review the DOR Secrecy Clause and sign the DOR Secrecy Laws Certificate (substantially in the form of Exhibit A, attached hereto and by this reference incorporated herein) certifying the employee understands the confidentiality laws and the penalties for violating them. Annually thereafter, (on or before a date specified by the Department), or upon request by the Department, such City employees must review and sign the latest versions of the Secrecy Clause and the Secrecy Laws Certificate. All signed Secrecy Laws Certificates must be immediately emailed to both the designated Department Authorized Representative (indicated below) and the Department's Disclosure Office (disclosure.office@oregon.gov). When the employee terminates employment with City, City will forward the certificate to the Department's Disclosure Officer indicating the employee is no longer employed by City. A listing of every person authorized to request and receive Confidential Information identified in this Agreement will be sent to the following designated representative:

John Galvin, Marijuana Tax Program Manager, marijuanatax.DOR@oregon.gov

(c) Upon request and pursuant to the instructions of DOR, City shall return or destroy all copies of Confidential Information provided by DOR to City, and City shall certify in writing the return or destruction of all such Confidential Information.

(d) The administrative rules implementing ORS 314.835 and ORS 314.840 as amended from time to time during the term of this Agreement, shall apply to this Agreement.

(16) Term. The term of this Agreement shall be from the date it is executed by all parties and until it is terminated by operation of law or by either party at its discretion upon at least ninety (90) days prior written notice. Prior to the termination date specified in written notice provided under this section or Section 17 below, City and the Department will continue to

perform their respective duties and obligations of under this Agreement. After the termination date, the Department will cease all collection and other activities under this Agreement, unless prior to the termination date the Department and City agree in writing that the Department may continue actions that are pending before the Oregon Tax Court or the Oregon Supreme Court, or are being collected after judgment or stipulation. In addition, after the termination date the Department will continue to remit to City any Local Taxes received by the Department, after deduction of the Department's actual costs, until all matters pending on the date of termination have been resolved or collected. The Department will administer the Local Tax for City for each calendar quarter commencing after this Agreement is executed; provided, however, if this Agreement is fully executed on or before the 15th day of the calendar quarter, the Department will administer the Local Tax for the quarter in which this Agreement is executed.

(17) Default and Remedies. A party shall be in default under this Agreement if it fails to perform any of its duties and obligations under this Agreement, and fails to cure such nonperformance within ninety (90) days after the other party provides written notice specifying the nature of the nonperformance. If the nonperforming party does not cure its nonperformance, or provide a satisfactory explanation to the other party of its performance under this Agreement, the other party may terminate this Agreement immediately or at a later date specified in written notice provided to the nonperforming party. In addition to termination of this Agreement, in the event of default by a nonperforming party, the other party may pursue any remedies available in law or equity, including an action for specific performance.

(18) Notices. All notices, documents, and information shall be sent as follows:

City of Lebanon

Oregon Department of Revenue
Marijuana Tax Program
PO Box 14630
Salem, OR 97309

(19) Amendments. The provisions of this Agreement shall not be waived, altered, modified, supplemented, or amended, in any manner whatsoever, except by written instrument signed by both parties.

(20) Successors and Assigns. This Agreement shall be binding and inure to the benefit of the parties, their assigns, and successors.

(21) Severability. If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

(22) Representations. Each party represents to the other that the making and performance of this Agreement: (a) have been duly authorized by its governing body or official, (b) does not and will not violate any provision of any applicable law, rule, regulation, or order of any court, regulatory commission, board or other administrative agency or any provision of any applicable local charter or other organizational document, and (c) do not and will not result in the

breach of, or constitute a default or require any consent under any other agreement or instrument to which the party is bound.

(23) Governing Law, Consent to Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, suit or proceeding (collectively “Claim”) between the Department and City regarding the enforcement or interpretation of this Agreement shall be brought and conducted solely and exclusively within the Circuit Court of Marion County for the State of Oregon. The parties understand and agree that any action brought to determine the amount of Local Tax owed by a Local Taxpayer, whether brought solely by the Department or in conjunction with City shall be brought solely in the Oregon Tax Court.

(24) Nonappropriation. The obligation of each party to perform its duties under this Agreement is conditioned upon the party receiving funding, appropriations, limitation, allotment, or other expenditure authority sufficient to allow the party, in the exercise of its reasonable administrative discretion, to meet its obligations under this Agreement. Nothing in this Agreement may be construed as permitting any violation of Article XI, sections 7 or 10 of the Oregon Constitution or any other law limiting the activities, liabilities or monetary obligations of each party.

(25) Survival. All rights and obligations of the parties under this Agreement will cease upon termination of the Agreement, other than the rights and obligations arising under Sections 14, 16 and 17, and those rights and obligations that by their express terms survive termination of this Agreement; provided, however, that termination of this Agreement will not prejudice any rights or obligations accruing to a party prior to termination.

(26) Force Majeure. Neither party is responsible for any failure to perform or any delay in performance of an obligation under this Agreement caused by fire, civil unrest, labor unrest, natural causes, or war, which is beyond that party’s reasonable control. Each party shall, however, make all reasonable efforts to remove or eliminate such cause of failure to perform or delay in performance and shall, upon the cessation of the cause, diligently pursue performance of its obligation under this Agreement.

(27) Counterparts. This Agreement may be executed in counterparts, all of which when taken together shall constitute one agreement, notwithstanding that all parties are not signatories to the same counterpart. Each copy of this Agreement so executed constitutes an original.

(28) Merger. This Agreement and any exhibits constitute the entire agreement between the parties on the subject matter hereof. There are no understandings, agreements or presentations, oral or written, not specified herein regarding this Agreement.

Each party represents that this Agreement, when fully executed and delivered will constitute a legal, valid and binding obligation of the party in accordance with its terms, and that the person signing below is the authorized representative of the party with full power and authority to bind his/her principal to this Agreement.

Oregon Department of Revenue

Name/Title:

Signature:

Date signed:

City:

Name/Title:

Signature:

Date signed:

EXHIBIT A

DOR

SECURITY CLAUSE

and

SECURITY LAWS CERTIFICATE

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SECRECY CLAUSE

Taxpayer information is confidential and protected by Oregon law. Only authorized persons may have access to taxpayer information, or to secure buildings where taxpayer information is handled. Oregon law requires that you sign a Secrecy Certificate before being allowed access to this confidential information or secure areas. By signing the certificate, you certify that you understand the confidentiality laws and the penalties for violating them.

This applies to everyone with access to taxpayer information, including:

- Department of Revenue employees
- Employees of other government agencies
- Vendors and contractors
- Business partners

Penalties for unauthorized disclosure of state tax information

- **Income tax***—Class C felony; up to \$125,000 fine; up to five years imprisonment; dismissal from state employment; no public office for five years. [ORS 314.991(2)]
- **Inheritance tax**—Class C felony; up to \$125,000 fine; up to five years imprisonment; dismissal from state employment; no public office for five years. [ORS 118.990(3)]
- **Industrial property tax**—Up to \$10,000 fine; up to one year imprisonment. [ORS 308.990(5)]
- **Timber tax**—Up to \$5,000 fine; dismissal from state employment. (ORS 321.686)
- **Employment Department**—May result in dismissal from state employment, or other discipline. [ORS 657.665(6)]

* *These provisions also apply to transient lodging tax (ORS 320.330), cigarette tax (ORS 323.403), tobacco products tax (ORS 323.595), emergency communications tax (ORS 403.230), oil and gas production tax (ORS 324.170), hazardous substances tax (ORS 453.410), and petroleum products tax (ORS 465.124).*

Penalties for unauthorized disclosure of federal tax information

- **IRC Sect. 7213**—Felony; up to \$5,000 fine; imprisonment of up to five years; cost of prosecution, damages**.
- **IRC Sect. 7213A**—Up to \$1,000 fine; imprisonment of up to one year; cost of prosecution, damages**.

** *Damages may include \$1,000 per act, actual damages, punitive damages, cost of legal action, attorney fees. See Section 7431.*

Instructions

Please read the following laws. They explain the types of information that are confidential. If you have questions during your employment or performance of duties, ask your supervisor or a Disclosure officer before accessing or disclosing information.

After reading this information, fill out the last page and return it to the Department of Revenue. Keep the other pages for your records.

Oregon Income Tax Laws

ORS 314.835

(1) Except as otherwise specifically provided in rules adopted under ORS 305.193 or in other law, it shall be unlawful for the Department of Revenue or any officer or employee of the department to divulge or make known in any manner the amount of income, expense, deduction, exclusion or credit or any particulars set forth or disclosed in any report or return required in the administration of ORS 310.630 to 310.706, required in the administration of any local tax pursuant to ORS 305.620, or required under a law imposing a tax upon or measured by net income. It shall be unlawful for any person or entity to whom information is disclosed or given by the department pursuant to ORS 314.840 (2) or any other provision of state law to divulge or use such information for any purpose other than that specified in the provisions of law authorizing the use or disclosure. No subpoena or judicial order shall be issued compelling the department or any of its officers or employees, or any person who has acquired information pursuant to ORS 314.840 (2) or any other provision of state law to divulge or make known the amount of income, expense, deduction, exclusion or credit or any particulars set forth or disclosed in any report or return except where the taxpayer's liability for income tax is to be adjudicated by the court from which such process issues.

(2) As used in this section:

(a) "Officer," "employee" or "person" includes an authorized representative of the officer, employee or person, or any former officer, employee or person, or an authorized representative of such former officer, employee or person.

(b) "Particulars" includes, but is not limited to, a taxpayer's name, address, telephone number, Social Security number, employer identification number or other taxpayer identification number and the amount of refund claimed by or granted to a taxpayer.

ORS 314.991

(2) Violation of ORS 314.835 is a Class C felony. If the offender is an officer or employee of the state the offender shall be dismissed from office and shall be incapable of holding any public office in this state for a period of five years thereafter.

Applicability to other tax programs

The above provisions of ORS 314, concerning the confidentiality of returns and penalties, also apply to:

• Transient lodging tax	ORS 320.330
• Cigarette tax	ORS 323.403
• Tobacco products tax	ORS 323.595
• Emergency communications tax	ORS 403.230
• Oil and gas production tax	ORS 324.170
• Hazardous substances tax	ORS 453.410
• Petroleum products tax	ORS 465.124

Oregon Inheritance Tax Laws

ORS 118.525

(1) It shall be unlawful for the Department of Revenue or any of its officers or employees to divulge or make known in any manner any particulars disclosed in any return or supporting data required under this chapter. Except for executors or beneficiaries and their authorized representatives, it shall be unlawful for any person or entity who has acquired information pursuant to subsections (3) and (4) of this section to divulge or make known such information for any purpose other than that specified in the provisions of law authorizing the use or disclosure. No subpoena or judicial order shall be issued compelling the department, or its officers or employees, or persons described in subsections (3) and (4) of this section, to divulge or make known any particulars disclosed in any such return or supporting data except where the liability for inheritance taxes is to be adjudicated by the Oregon Tax Court. Nothing in this section shall prohibit the publication of statistics so classified as to prevent the identification of particulars in any return or supporting data covered by this section.

(2) As used in this section:

(a) "Officer," "employee" or "person" includes an authorized representative of the officer, employee or person, or former officer, employee or person, or an authorized representative of such former officer, employee or person.

(b) "Particulars" includes, but is not limited to, a taxpayer's name, address, telephone number, Social Security number and the amount of refund claimed by or granted to a taxpayer.

ORS 118.990

(3) Violation of ORS 118.525 is a Class C felony. If the offender is an officer or employee of the state the offender shall be dismissed from office and shall be incapable of holding any public office in this state for a period of five years thereafter.

Oregon Property Tax Laws

ORS 308.290

(11)(a) All returns filed under the provisions of this section and ORS 308.525 and 308.810 are confidential records of the Department of Revenue or the county assessor's office in which the returns are filed or of the office to which the returns are forwarded under paragraph (b) of this subsection.

ORS 308.413

(1) Any information furnished to the county assessor or to the Department of Revenue under ORS 308.411 which is obtained upon the condition that it be kept confidential shall be confidential records of the office in which the information is kept, except as follows:

(a) All information furnished to the county assessor shall be available to the department and all information furnished to the department shall be available to the county assessor.

(b) All information furnished to the county assessor or department shall be available to any reviewing authority in any subsequent appeal.

(c) The department may publish statistics based on the information furnished if the statistics are so classified as to prevent the identification of the particular industrial plant.

(2) The Department of Revenue shall make rules governing the confidentiality of information under this section.

(3) Each officer or employee of the Department of Revenue or the office of the county assessor to whom disclosure or access of the information made confidential under subsection (1) of this section is given, prior to beginning employment or the performance of duties involving such disclosure, shall be advised in writing of the provisions of this section and ORS 308.990 (5) relating to penalties for the violation of this section, and shall as a condition of employment or performance of duties execute a certificate for the department or the assessor in a form prescribed by the department, stating in substance that the person has read this section and ORS 308.990 (5), that these sections have been explained to the person and that the person is aware of the penalties for violation of this section.

ORS 308.990

(5) Subject to ORS 153.022, any willful violation of ORS 308.413 or of any rules adopted under ORS 308.413 is punishable, upon conviction, by a fine not exceeding \$10,000, or by imprisonment in the county jail for not more than one year, or by both.

Forestland Tax Laws

ORS 321.682

(1) Except as otherwise specifically provided by law, it shall be unlawful for the Department of Revenue or any officer or employee of the department to divulge or make known in any manner the amount of the tax or any particulars set forth or disclosed in any report or return required to be filed under ORS 321.045 or 321.741 or any appraisal data collected to make determinations of specially assessed value of forestland pursuant to ORS 321.201 to 321.222. It shall be unlawful for any person or entity to whom information is disclosed or given by the department pursuant to ORS 321.684 (2) or any other provision of state law to divulge or use such information for any purpose other than that specified in the provisions of law authorizing the use or disclosure. No subpoena

150-800-033 (Rev. 2-11)

or judicial order shall be issued compelling the department or any of its officers or employees, or any person who has acquired information pursuant to ORS 321.684 (2) or any other provision of state law, to divulge or make known the amount of tax or any particulars set forth or disclosed in any report or return except where the taxpayer's liability for timber tax is to be adjudicated by the court from which such process issues.

(2) As used in this section, "officer," "employee" or "person" includes an authorized representative of the officer, employee or person, or any former officer, employee or person, or an authorized representative of such former officer, employee or person.

ORS 321.686

Violation of ORS 321.682 is subject to a fine not exceeding \$5,000 or, if committed by an officer or employee of the state, dismissal or removal from office or employment, or both fine and dismissal or removal from office or employment.

Oregon Employment Department Laws

ORS 657.665

(4)The Employment Department may: ... (i) Disclose information to the Department of Revenue for the purpose of performing its duties under ORS 293.250 or under the revenue and tax laws of this state. The information disclosed may include the names and addresses of employers and employees and payroll data of employers and employees. The information disclosed is confidential and may not be disclosed by the Department of Revenue in any manner that would identify an employing unit or employee except to the extent necessary to carry out the department's duties under ORS 293.250 or in auditing or reviewing any report or return required or permitted to be filed under the revenue and tax laws administered by the department. The Department of Revenue may not disclose any information received to any private collection agency or for any other purpose. If the information disclosed under this paragraph is not prepared for the use of the Employment Department, the costs of disclosing the information shall be paid by the Department of Revenue.

(6) Any person or any officer or employee of an entity to whom information is disclosed by the Employment Department under this section who divulges or uses the information for any purpose other than that specified in the provision of law or agreement authorizing the use or disclosure may be disqualified from performing any service under contract or disqualified from holding any appointment or employment with the state agency that engaged or employed that person, officer or employee. The Employment Department may immediately cancel or modify any information sharing agreement with an entity when a person or an officer or employee of that entity discloses confidential information, other than as specified in law or agreement.

3



SECRECY LAWS CERTIFICATE

Required by ORS 314.840(3), ORS 118.525(6),
ORS 308.413(3), ORS 321.684

I have read the laws prohibiting disclosure of confidential information for the tax programs below.
 The laws have been explained to me.
 I have been furnished with a copy of the laws.
 I understand Oregon's disclosure laws and the penalties for violating them.

Income tax	ORS 314.835; ORS 314.991(2)
Inheritance tax	ORS 118.525(1); ORS 118.990(3)
Industrial property tax	ORS 308.290(11); ORS 308.413; ORS 308.990(5)
Forestland tax	ORS 321.682; ORS 321.686
Employment Department tax	ORS 657.665(4)(i) and (6)
Transient lodging tax	ORS 320.330
Cigarette tax	ORS 323.403
Tobacco products tax	ORS 323.595
Emergency communications tax	ORS 403.230
Oil and gas production tax	ORS 324.170
Hazardous substances tax	ORS 453.410
Petroleum products tax	ORS 465.124
Federal tax laws	IRC Sections 7213, 7213A, 7431

VENDORS, CONTRACTORS, BUSINESS PARTNERS

PRINT your full name	Business telephone number
Print full name of business or organization for which you are acting in an official capacity	
Address of business or organization	SSN (Collection agency employees only)
What is the nature of your business?	Duration of contract or visit
Revenue contact	Area where you'll be working
Signature X	Date

REVENUE EMPLOYEES

PRINT your full name	Date
Signature X	

AGENCY USE

In Compliance
 Not in Compliance

Easements &
Rights-of-Way



925 S. Main Street
Lebanon, Oregon 97355

TEL: 541.258.4918
www.ci.lebanon.or.us

MEMORANDUM

Engineering Services

To: Mayor Aziz and City Council

Date: January 4, 2017

From: Ron Whitlatch, Engineering Services Director

Subject: Right of Way and Easement Dedication for Public Access & Utilities
Airport Road Extension / Russell Drive Improvements
Project No. 15703

RECOMMENDATION:

Staff is recommending that City Council approve the attached Right of Way and Easement Dedications for Public Access and Utilities for the Airport Road / Russell Drive Improvements Project.

BACKGROUND:

In February 2016, City Council approved the Right-of-Way and Easements for the proposed Airport Road / Russell Drive Improvements Project. This additional Right-of-Way and Easement is needed to complete the transition from Airport Road and Russell Drive.

The project is tentatively scheduled for Spring/Summer 2017.

After Recording Return To:
City of Lebanon
925 Main Street
Lebanon, Oregon 97355

RIGHT-OF-WAY DEDICATION

KNOW ALL MEN BY THESE PRESENTS that for and in consideration of the sum of \$ 1.00, receipt of which is hereby acknowledged, the undersigned, Walt Badger, address: 2601 NE Jack London Street, Space 154, City of Corvallis, County of Benton, State of Oregon, owner of the land below described, hereinafter called **Grantor**, hereby grants, bargains, sells and conveys to the **CITY OF LEBANON**, a Municipal Corporation located within Linn County, Oregon, hereinafter called **Grantee**, its successors and assigns, a perpetual municipal right-of-way in, over and upon property situated in Linn County, Oregon, more fully described as follows:

See attached Exhibit A and Exhibit B

The purpose of this right-of-way is to provide property for Roadways, sidewalks and utilities on the above-described property.

This right-of-way includes the rights of ingress and egress at any time over and upon the above-described land of the Grantor, and other land of the Grantor adjoining said right-of-way that is necessary to exercise the rights of ingress and egress.

There is reserved to Grantor, their heirs and assigns, the right and privilege to use the above-described land of the Grantor at any time, in any manner, and for any purpose not inconsistent with the full use and enjoyment by the Grantee, its successors and assigns, of the rights and privileges herein granted.

Grantee shall be responsible for the construction, maintenance, operation and replacement of the right-of-way for which the granting of this right-of-way dedication has been given.

IN WITNESS WHEREOF, we have set our hands hereto this 19th day of December, 2016.

IN WITNESS WHEREOF, we have set our hands hereto this _____ day of _____, 20____.

STATE OF OREGON)
County of Linn)ss.
City of Lebanon)

STATE OF OREGON)
County of Linn)ss.
City of Lebanon)

Walt Badger _____

By: _____

Paul R. Aziz, Mayor
Bob Elliott, Council President

By: _____

Linda Kaser, City Clerk/Recorder

GRANTOR(S)

GRANTEES

On the 19 day of December, 2016, personally appeared the within named Walt Badger who acknowledged the foregoing instrument to be a voluntary act and deed.

On the _____ day of _____, 20____, personally appeared _____ and LINDA KASER, who each being duly sworn, did say that the former is the Mayor/Council President and the latter is the Recorder for the City of Lebanon, a Municipal Corporation, and that the seal affixed to the foregoing instrument was signed and sealed in behalf of said corporation by authority of its City Council, which accepted this easement on the _____ day of _____, 20____; and each of them acknowledged said instrument to be its voluntary act and deed.

BEFORE ME: T. Dickey
NOTARY PUBLIC FOR OREGON

BEFORE ME: _____
NOTARY PUBLIC FOR OREGON

My commission expires: march 09, 2018

My commission expires: _____

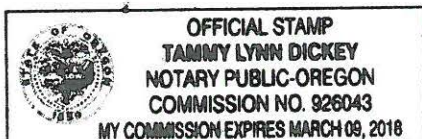


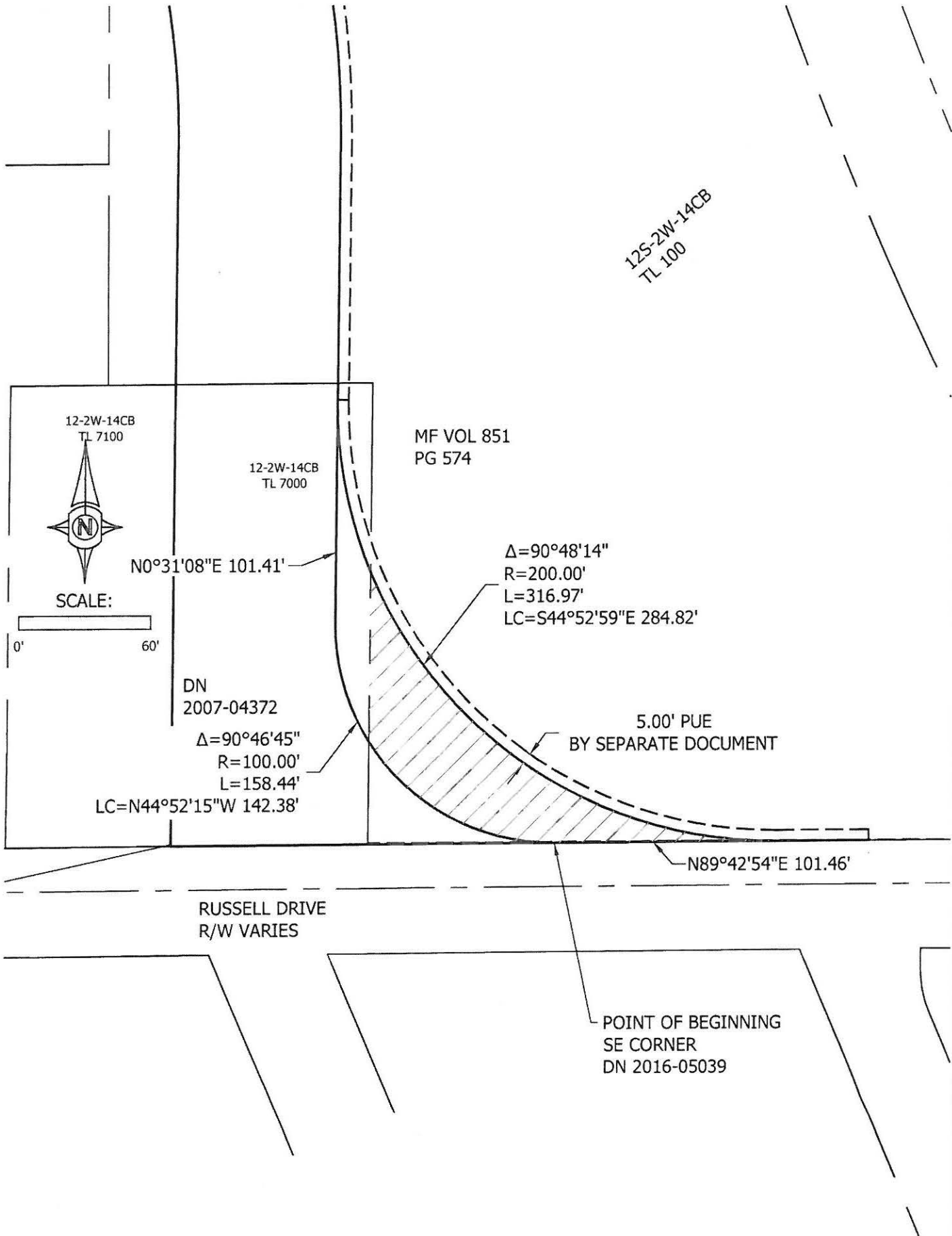
Exhibit A
Airport Road Additional Right-of-Way

An area of land in the Southwest 1/4 of Section 14, Township 12 South, Range 2 West, Willamette Meridian, Linn County Oregon. Being more particularly described as follows:

Beginning at the Southeast corner of the land described in Linn County Deed Document no 2016-05039, also lying on the North right of way line of Russell Drive; thence along the East boundary of said deed record 158.44 feet along a 100.00 foot radius curve to the right, the long chord of which bears North 44°52'15" West 142.44 feet; thence North 0°31'08" East 101.41 feet; thence leaving the East line of said deed record 316.97 feet along a 200.00 foot radius curve to the left, the long chord of which bears South 44°52'59" East 284.82 feet; to a point on said North right-of-way line; thence along said North line South 89°42'54" West 101.46 feet to the point of beginning.

Excepting therefrom that land described in Linn County Deed Document No 2007-04372.





SHEET 1
of 1
SCALE: AS NOTED



Date 11/16/16
Project 15-137
R/W LEGALS
Drawn by AAP
Checked by kwi

EXHIBIT B
AIRPORT ROAD
RIGHT OF WAY
LEBANON, OREGON

UDELL ENGINEERING
AND
LAND SURVEYING, LLC
63 EAST ASH ST.
LEBANON, OREGON, 97355
541-451-5125

EASEMENT FOR PUBLIC ACCESS AND UTILITIES

THIS AGREEMENT, made and entered into this _____ day of _____, 20____ by and between Walt Badger, (Address:) 2601 NE Jack London St., space 154, City of Corvallis, herein called **Grantors**, and the **CITY OF LEBANON** (Address: 925 Main Street, Lebanon, Oregon 97355), a Municipal corporation, herein called "City."

WITNESSETH:

That for and in consideration of the total compensation to be paid by the City, the Grantor does bargain, sell, convey and transfer unto the City of Lebanon, a perpetual and permanent easement and right-of-way, including the right to enter upon the real property hereinafter described, construct sidewalk, and to maintain and repair public utilities for the purpose of conveying public utilities services over, across, through and under the lands hereinafter described, together with the right to excavate and refill ditches and/or trenches for the location of the said public utilities and the further right to remove trees, bushes, under-growth and other obstructions interfering with the location and maintenance of the said public utilities.

This agreement is subject to the following terms and conditions:

- 1. The right-of-way hereby granted is described as follows:

SEE ATTACHED EXHIBIT A & EXHIBIT B

- 2. The permanent easement described herein grants to the City and to its successors, assigns, authorized agents or contractors, the perpetual right to enter upon said easement at any time that it may see fit for construction, maintenance, evaluation and/or repair purposes.
3. The easement granted is in consideration of \$ 1.00 , the receipt of which is hereby acknowledged, and in further consideration of the public improvements to be placed upon said property and the benefits Grantor may obtain therefrom.
4. The Grantor does hereby covenant with the City that Grantor is lawfully seized and possessed of the real property above described, has a good and lawful right to convey it or any part thereof, and will forever warrant and defend the title thereto against the lawful claims of all persons whomsoever.
5. Upon performing any maintenance, the City will make reasonable efforts to return the site to its original condition.
6. No permanent structure shall be constructed on this easement.

IN WITNESS WHEREOF, we have set our hands hereto this 19th day of December, 2016.

STATE OF OREGON)
County of Linn)ss.
City of Lebanon)

By: Walt Badger
Walt Badger

GRANTOR(S)

IN WITNESS WHEREOF, we have set our hands hereto this _____ day of _____, 20____.

STATE OF OREGON)
County of Linn)ss.
City of Lebanon)

By: _____
Paul Aziz, Mayor []
Bob Elliott, Council President []

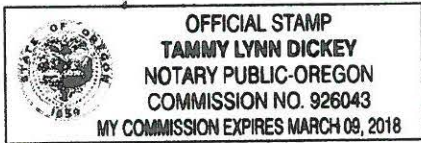
By: _____
Linda Kaser, City Clerk/Recorder

GRANTEES

On the 19th day of December, 2016, personally appeared the within named Walt Badger who acknowledged the foregoing instrument to be a voluntary act and deed.

BEFORE ME: T. Dickey
NOTARY PUBLIC FOR OREGON

Commission Expires: March 09, 2018



On the _____ day of _____, 20____, personally appeared _____ and LINDA KASER, who each being duly sworn, did say that the former is the Mayor/Council President and the latter is the Recorder for the City of Lebanon, a Municipal Corporation, and that the seal affixed to the foregoing instrument was signed and sealed in behalf of said corporation by authority of its City Council, which accepted this easement on the _____ day of _____, 20____, and each of them acknowledged said instrument to be its voluntary act and deed.

BEFORE ME: _____
NOTARY PUBLIC FOR OREGON

Commission expires: _____

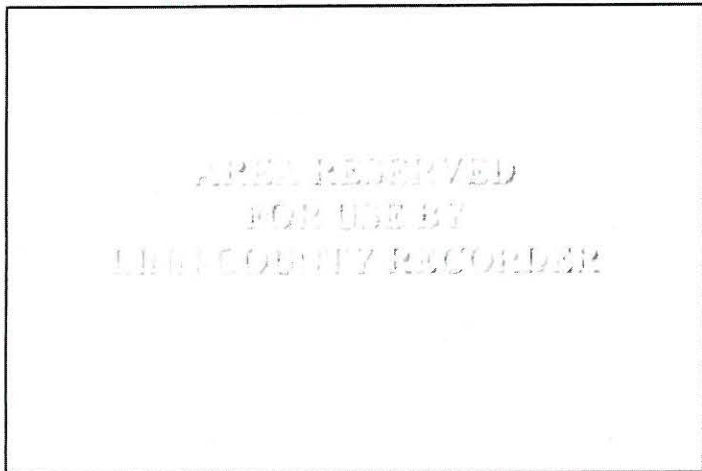


Exhibit A
5.00' Public Utility Easement

An area of land in the Southwest 1/4 of Section 14, Township 12 South, Range 2 West, Willamette Meridian, Linn County Oregon. Being more particularly described as follows:

Beginning at the Southeast corner of the land described in Linn County deed document no. 2016-05039, also lying on the North right-of-way of Russell Drive; thence along said North right-of-way North 89°42'54" East 101.46 feet to the true point of beginning; thence leaving said North line 316.97 feet along a 200.00 foot radius curve to the right, the long chord of which bears North 44°52'59" West 284.82 feet to a point on the East line of said deed record; thence leaving said East line South 89°28'52" East 5.00 feet; thence 309.04 feet along a 195.00 foot radius curve to the left, the long chord of which bears South 44°52'59" East 277.70 feet; thence North 89°42'54" East 42.80 feet; thence South 0°17'06" East 5.00 feet to a point on said North right-of-way; thence along said North right-of-way South 89°42'54" West 42.80 feet to the point of beginning.

Excepting therefrom that land described in Linn County deed document no 2007-04372.

REGISTERED
PROFESSIONAL
LAND SURVEYOR

Kyle W. Latimer

OREGON
JUNE 12, 2013
KYLE W. LATIMER
80442

EXPIRES: 12-31-2016

Liquor License(s)



925 S. Main Street
Lebanon, Oregon 97355

TEL: 541.258.4905
www.ci.lebanon.or.us

Consent Calendar Addition

MEMORANDUM

City Clerk's Office

To: Mayor Aziz and City Council

Date: January 11, 2017

From: Linda Kaser, City Clerk

Subject: OLCC Application for an Extension of Premises – Conversion Brewing Co.

I received the attached letter today from OLCC regarding Conversion Brewing Company's request to extend their premises to the property exterior. I'm including this in tonight's agenda as the City only has 14 days to respond.

I've confirmed with Ms. Cooper at OLCC that this is to extend seating into the sidewalk on Main Street only, not into Strawberry Plaza. The attached diagram depicts four tables on the front exterior sidewalk located at 833 S. Main Street.

Council Action: *Approve under the January 11, 2017 Consent Calendar or remove from the Consent Calendar and discuss as a separate agenda item.*

/lgk



Oregon

Kate Brown, Governor

Liquor Control Commission

Public Safety Division
Eugene Regional Office
927 Country Club Road, Suite #200
Eugene, OR 97401-2272
(541) 686-7739
FAX (541) 687-7381

January 6, 2017

City of Lebanon - Parks Department
Attn: Linda Kaser, City Clerk
925 Main Street
Lebanon, OR 97355

RE: ***Ralston Park***

Pin Hook Public House, LLC
DBA ***Conversion Brewing Company*** (BP)
833 S Main Street
Lebanon, OR 97355

Dear City of Lebanon – Parks Department:

The Oregon Liquor Control Commission has received an application for an Extension of Premises to Exterior Property at the premises referenced above.

If your organization wishes to take a position regarding this application, please write to the Oregon Liquor Control Commission, 927 Country Club Road, Suite 200, Eugene, Oregon, 97401. Please answer in writing within 14 days of this letter if you wish to make a statement so that this application may be processed in a timely manner.

Any response will be shared with the applicant(s), made a part of the public record, and considered when evaluating this license application. Matters related to the exercise of license privileges and how that use will affect your organization will be considered.

Sincerely,

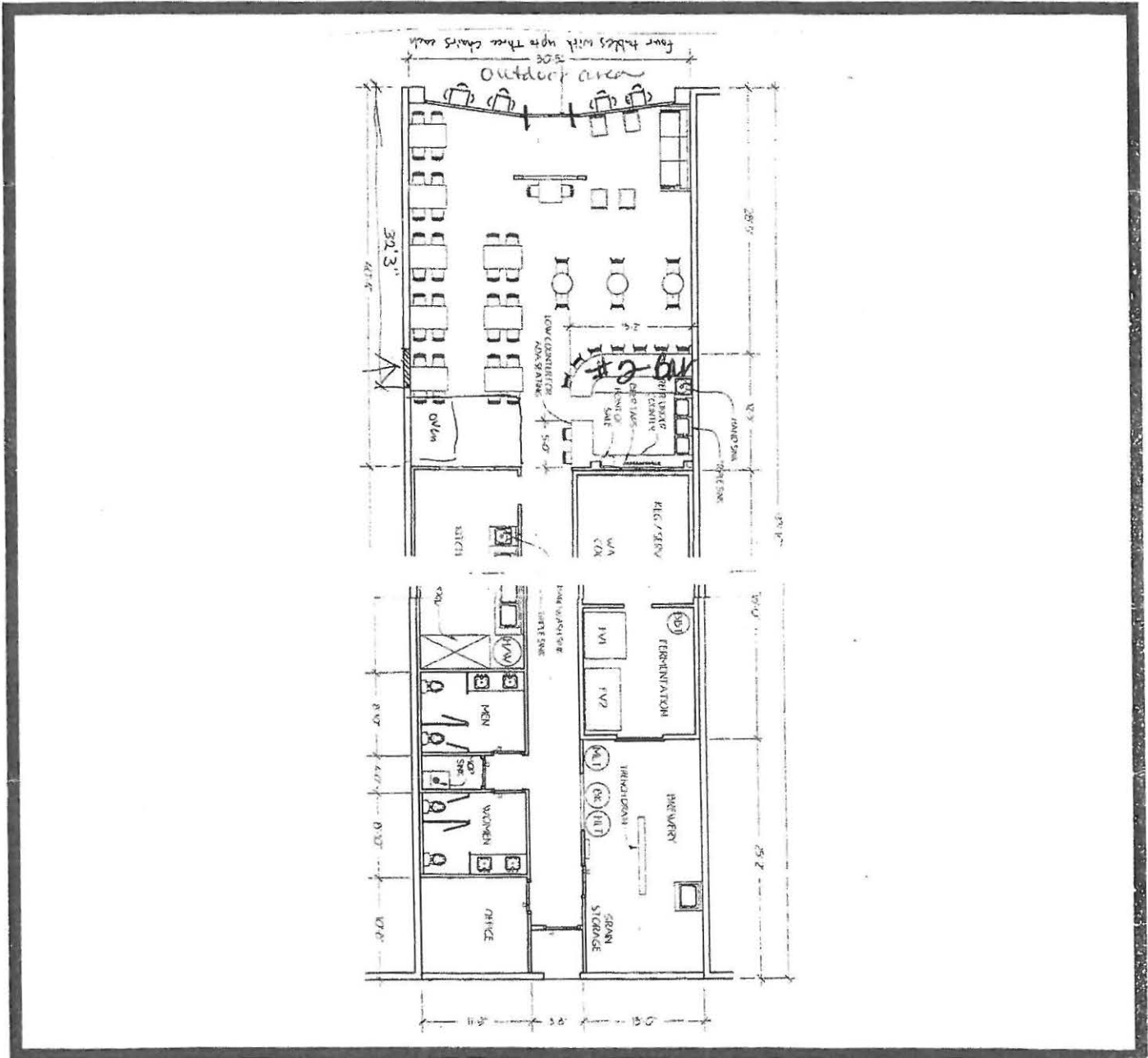
Amanda Cooper
Regulatory Specialist/Investigator





OREGON LIQUOR CONTROL COMMISSION FLOOR PLAN

- Your floor plan must be submitted on this form.
- Use a separate Floor Plan Form for each level or floor of the building.
- The floor plan(s) must show the specific areas of your premises (e.g. dining area, bar, lounge, dance floor, video lottery room, kitchen, restrooms, outside patio and sidewalk cafe areas.)
- Include all tables and chairs (see example on back of this form). Include dimensions for each table if you are applying for a Full On-Premises Sales license.



Pin Hook Public House LLC
Applicant Name

Conversion Brewing Co.
Trade Name (dba):

Lebanon, OR 97355
City and ZIP Code

.....OLCC USE ONLY.....
MINOR POSTING ASSIGNMENT(S)

#2 Bar
#3 Remainder of Premises

Date: 11-29-16 Initials: MF



OREGON LIQUOR CONTROL COMMISSION BUSINESS INFORMATION

Please Print or Type

Applicant Name: Pin Hook Public House LLC Phone: 541-259-2337

Trade Name (dba): Conversion Brewing Co.

Business Location Address: 833 S. Main St

City: Lebanon ZIP Code: 97355

DAYS AND HOURS OF OPERATION

Business Hours:	Outdoor Area Hours:	The outdoor area is used for:
Sunday <u>11am</u> to <u>7pm</u>	Sunday <u>11am</u> to <u>7pm</u>	<input checked="" type="checkbox"/> Food service Hours: <u>11A</u> to <u>10p</u>
Monday <u>11am</u> to <u>9pm</u>	Monday <u>11am</u> to <u>9pm</u>	<input checked="" type="checkbox"/> Alcohol service Hours: <u>11A</u> to <u>10p</u>
Tuesday <u>11am</u> to <u>9pm</u>	Tuesday <u>11am</u> to <u>9pm</u>	<input type="checkbox"/> Enclosed, how _____
Wednesday <u>11am</u> to <u>9pm</u>	Wednesday <u>11am</u> to <u>9pm</u>	The exterior area is adequately viewed and/or supervised by Service Permittees.
Thursday <u>11am</u> to <u>9pm</u>	Thursday <u>11am</u> to <u>9pm</u>	<u>MA</u> (Investigator's Initials)
Friday <u>11am</u> to <u>10pm</u>	Friday <u>11am</u> to <u>10pm</u>	
Saturday <u>11am</u> to <u>10pm</u>	Saturday <u>11am</u> to <u>10pm</u>	

Seasonal Variations: Yes No If yes, explain: _____

ENTERTAINMENT

Check all that apply:

<input checked="" type="checkbox"/> Live Music	<input type="checkbox"/> Karaoke
<input checked="" type="checkbox"/> Recorded Music	<input type="checkbox"/> Coin-operated Games
<input type="checkbox"/> DJ Music	<input type="checkbox"/> Video Lottery Machines
<input type="checkbox"/> Dancing	<input type="checkbox"/> Social Gaming
<input type="checkbox"/> Nude Entertainers	<input type="checkbox"/> Pool Tables
	<input type="checkbox"/> Other: _____

DAYS & HOURS OF LIVE OR DJ MUSIC

Sunday	_____ to _____
Monday	_____ to _____
Tuesday	_____ to _____
Wednesday	_____ to _____
Thursday	_____ to _____
Friday	_____ to _____
Saturday	<u>8 pm</u> to <u>10 pm</u>

SEATING COUNT

Restaurant: 52 Outdoor: 12

Lounge: _____ Other (explain): Bar: 8

Banquet: _____ Total Seating: 72

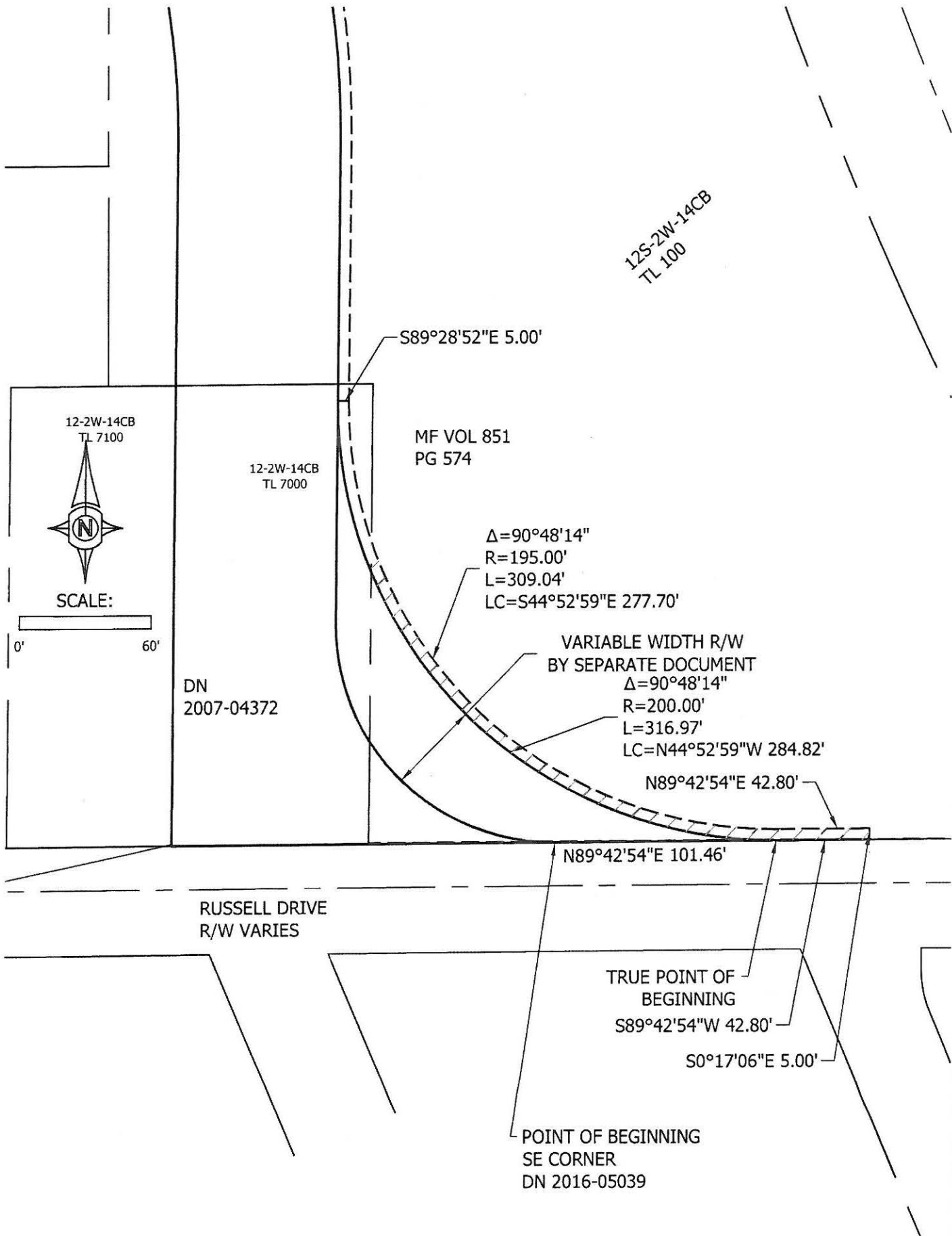
OLCC USE ONLY

Investigator Verified Seating: Y (Y) (N)

Investigator Initials: [Signature]

Date: 11/27/16

I understand if my answers are not true and complete, the OLCC may deny my license application.
Applicant Signature: _____ Date: _____



SHEET 1
of 1
SCALE: AS NOTED



Date 11/16/16
Project 15-137
R/W LEGALS
Drawn by AAP
Checked by kwl

EXHIBIT B
AIRPORT ROAD
PUE
LEBANON, OREGON

UDELL ENGINEERING
AND
LAND SURVEYING, LLC
63 EAST ASH ST.
LEBANON, OREGON, 97355
541-451-5125

R.O.W. Vacation



925 S. Main Street
Lebanon, Oregon 97355

TEL: 541.258.4918
www.ci.lebanon.or.us

MEMORANDUM

Engineering Services

To: Linda Kaser, CMC, City Clerk/Recorder
From: Ed Patton, PE, PLS, Senior Engineer
CC: Ron Whitlatch, PE, Engineering Services Director
Subject: Proposed right of way vacations

Date: January 3, 2017

We ask that the City Council authorize staff to proceed with the vacation process per ORS 271 and schedule a public hearing for a date no earlier than February 8th following Councils' authorization to proceed. The purpose of the vacation request is that both rights of way shown on the attached maps are not used by the public.

The alley right of way shown north of Milton Street is isolated from Williams Street by the railroad. Additionally, this vacation allows for the development of the surrounding properties per Planning Case 16-05-23 which was approved by the Lebanon Planning Commission.

The right of way extension of Jennings Street to Franklin Street has had a garage on it for many decades. The section proposed to be vacated is only the east half as shown on the attached map. The west half serves residential properties. The vacation also is required to complete the sale of the home at 1680 Franklin Street because the bank is concerned about the garage located on this section of right of way.



0 37.5 75 150
 Feet

DISCLAIMER:
 The City of Lebanon (streets, roads, bridges and other documents) has been gathered
 in many districts, using different standards for quality control, accuracy, and reliability.
 While the product is for informational purposes only, it may not be suitable for legal, engineering, or
 surveying purposes. Please contact your property manager or other personnel for more information.
 Information contained herein is for informational purposes only. The City of Lebanon is not responsible for
 any errors or omissions. Information is provided to the City of Lebanon as a courtesy and should be
 made to fit in accordance with the City of Lebanon's standards.

Agenda Item 1



925 S. Main Street
Lebanon, Oregon 97355

TEL: 541.258.4906
cdc@ci.lebanon.or.us
www.ci.lebanon.or.us

MEMORANDUM

Administration

To: Lebanon Planning Commission
From: Gary Marks, City Manager
Subject: File #16-10-56
Amendment to Cheadle Lake URD

Date: December 6, 2016

I. BACKGROUND

- A. APPLICANT: City of Lebanon.
- B. PROPERTY LOCATION: The subject area includes land centered around the Russell Drive neighborhood and adjacent to Cheadle Lake (see map in attached document).
- C. PARCEL SIZE: The subject area contains approximately 297.6 acres.
- D. EXISTING DEVELOPMENT: This area includes vacant land as well property developed for uses consistent with the applicable zoning.
- E. ZONING: The subject area includes land zoned for Mixed Use (Z-MU), Industrial (Z-IND), Highway Commercial (Z-CH) and Residential Mixed Density (Z-RM).
- F. REQUEST: A request by the City to modify the Cheadle Lake Urban Renewal District Area.
- G. REVIEW STANDARDS: The Planning Commission will base its recommendation on conformance of the proposed modifications with applicable provisions in the Lebanon Comprehensive Plan.

II. DISCUSSION

A. Purpose

The Lebanon City Council is being asked to hold a hearing to gain input regarding the Council's consideration and potential adoption of the proposed Cheadle Lake Urban Renewal Plan Amendment (Amendment) and to vote on the ordinance to adopt the Amendment at the December 14, 2016 meeting. The Amendment is designed for the Cheadle Lake Urban Renewal Area (Area), an area of 297.6 acres. The reason for urban renewal is to provide a financing mechanism to fund improvements including transportation and utility improvements.

B. Background

ORS 457 indicates that the urban renewal agency starts the process of a substantial amendment. The Cheadle Lake Urban Renewal Plan First Amendment (Amendment) has been developed for review by the Lebanon Urban Renewal Agency (Agency), the Lebanon Planning Commission, the Lebanon City Council (City Council) and Linn County.

The City of Lebanon adopted the Cheadle Lake Urban Renewal Plan (Plan) in August 30, 2000, (Ordinance #2270). Linn County adopted the Plan by Resolution 2000-550 on October 4, 2000. The Plan contains projects which are intended to assist in stimulating growth in the Cheadle Lake Urban Renewal Area (Area).

Since its adoption, there have been a number of recommendations for the Area, including the Russell Drive Implementation Plan. The Russell Drive Implementation Plan, adopted in 2003, recommends development of a mixed use neighborhood for the Area. This would be assisted by street improvements according to standards indicated by the Russell Drive Implementation Plan.

The Amendment will add property to the Area, add projects, remove the duration provision of the Plan and do other general updating of the Plan. The duration provision now stipulates that the urban renewal area would expire in October of 2018. There are significant projects remaining to be completed in the Area, and removing the duration provision allows the Area to reach its full maximum indebtedness and complete the infrastructure projects slated for the Area to enable it to develop. The overall purpose of the Plan is to use tax increment financing to overcome obstacles to the proper development of the Area.

C. Public Notice

A notice for this meeting was sent to utility customers in October billings. Notice was also placed on the City of Lebanon website and sent to the property owners of the parcels in unincorporated areas.

D. Process

The process for approval has included the following steps, in accordance with ORS 457.

1. Preparation of an Amendment including opportunity for citizen involvement. There was an opportunity for citizens to testify at the planning commission hearing and city council hearing.
2. Lebanon Urban Renewal Agency October 12, 2016 review of the proposed Amendment and accompanying Report and recommendation to forward it to City Council for adoption.

3. Review and recommendation of the Amendment by the Lebanon Planning Commission. The Planning Commission reviewed the Amendment on November 16, 2016 and voted unanimously that the Amendment conformed to the Lebanon Comprehensive Plan.
4. Notice to all citizens of Lebanon of a hearing before the City Council. Notice was provided by mailing to property owners through utility bills in October. Additional notices were mailed to the property owners of unincorporated properties.
5. Forwarding a copy of the proposed Amendment and the Report to the governing body of each taxing district. The formal taxing districts letters were sent out on October 13, 2016.
6. Presentation of the Amendment to the Linn County Commission. This meeting occurred on October 19, 2016. The Linn County Commission will consider the Amendment in December, 2016.
7. Hearing by City Council and adoption of the proposed Amendment and accompanying Report by a non-emergency ordinance. The hearing by City Council will be held on December 13, 2016. The ordinance must be a non-emergency ordinance, which means that the ordinance does not take effect until 30 days after its approval and during that period of time may be referred to Lebanon voters if a sufficient number of signatures are obtained on a referral petition. This ordinance is effective at the latter of 30 days after adoption by the Lebanon City Council or approval of the Amendment by the Linn County Commission.

E. Adoption Ordinance

The ordinance adopting the Amendment requires the City Council to make certain findings. These findings are based on various documents and events.

As noted above, the City has followed the procedures as outlined by ORS 457. The findings are as follows.

1. The process for the adoption of the proposed Amendment, a copy of which is attached hereto as Exhibit "1", and by this reference incorporated herein, has been conducted in accordance with the provisions of Chapter 457 of the Oregon Revised Statutes.
2. The area designated in the Amendment as the Area is blighted, as defined by ORS 457.010(1)(e) and (g) and is eligible for inclusion within the Plan because of conditions described in Section II of the Report including inadequate streets, open spaces and utilities, and a prevalence of depreciated values resulting from underdevelopment and underutilization of property within the Area;

This is the basic justification for the Amendment and the Council's finding is meant to make that justification explicit.

3. The rehabilitation and redevelopment described in the Amendment to be undertaken by the Agency is necessary to protect the public health, safety and welfare of the City because absent the completion of the urban renewal projects, the Area will fail to contribute its fair share of property tax revenues to support City services and will fail to develop and/or redevelop according the goals of the comprehensive plan;

This finding states the public purpose of the Amendment which is for the property in the Area to develop and redevelop according to the Comprehensive Plan. Property which is not developed or not fully developed and occupied does not contribute as much property taxes as fully developed property. The improvement of property in the Area will add to the tax base in the Area and further support additional economic activity in the Area.

4. The Amendment conforms to the Lebanon Comprehensive Plan as a whole, and provides an outline for accomplishing the projects described in the Amendment, as more fully described in Section IV of the Plan;

This finding is supported by Section IV of the Plan and the Planning Commission's conclusion that the Amendment conforms to the Lebanon Comprehensive Plan.

5. In connection with any residential displacement occurring as a result of the acquisition and disposition of land, provision has been made for displaced persons in the Relocation Section of the Report as required under applicable state and federal law;

The Amendment does not contemplate acquisition of property that would displace residents or businesses. Should the Plan be amended to include such acquisition, the Agency would be obligated to provide relocation assistance.

6. The acquisition of real property provided for in the Amendment is necessary for the development of infrastructure improvements including parking improvements in the Area, for the development of public spaces and for assisting in private redevelopment of the Area;

The Amendment authorizes acquisition of real property for infrastructure improvements. No property is specifically identified for acquisition.

7. Adoption and carrying out the Amendment is economically sound and feasible in that funds are available to complete the Amendment projects using urban renewal tax increment revenues derived from a division of taxes pursuant to section 1c, Article IX of the Oregon Constitution and ORS 457.440, and other available funding as shown in Sections V, VI, VII, and VIII of the Report;

The Report contains information on the projected revenues and projected expenditures under the Amendment and supports a finding that the Amendment is economically sound and feasible.

8. The City of Lebanon shall assume and complete activities prescribed to it by the Pan including the Amendment;

The Amendment does not prescribe any specific activities to the City.

9. The Agency consulted and conferred with affected overlapping taxing districts prior to the Amendment being forwarded to the City Council.

The Agency sent a copy of the Amendment and the Report to the affected overlapping taxing districts on October 13, 2016. The letter included an invitation to provide comments in writing on the Amendment and Report on the Amendment. To date the City has not received written recommendations from the affected taxing districts. If such recommendations are received, the Council will be required to “accept, reject or modify” the recommendations and language to that effect will be added to the ordinance for its second reading and adoption.

The ordinance also calls for publication of a notice that the Council has adopted the ordinance, for the recording of the Amendment by the Linn County Clerk and for transmitting the Amendment to the Linn County Assessor.

CITY COUNCIL RECOMMENDATION AND VOTE

Staff recommends that the City Council:

1. Review and discuss the proposed Cheadle Lake Urban Renewal Plan Amendment
2. Take testimony on the Amendment
3. Vote on the Amendment at the December 14, 2016 City Council meeting

Attachments:

1. Adoption Ordinance
2. Cheadle Lake District Urban Renewal Plan Amendment
3. Cheadle Lake Urban Renewal Report
4. Lebanon Planning Commission Order of November 16, 2016 meeting

**A BILL MAKING CERTAIN DETERMINATIONS) ORDINANCE BILL NO. 2017-1
AND FINDINGS RELATING TO AND)
APPROVING THE CHEADLE LAKE URBAN)
RENEWAL AMENDMENT) ORDINANCE NO. 2889**

WHEREAS, the City Council of the City of Lebanon approved the Cheadle Lake Urban Renewal Plan (the “Plan”) by adoption of Ordinance No. 2270 on August 30, 2000. Linn County adopted the Plan by Resolution 2000-550 on October 4, 2000; and

WHEREAS, the Urban Renewal Agency of the City of Lebanon (“Agency”), as the duly authorized and acting urban renewal agency of the City of Lebanon, Oregon, is proposing to undertake certain urban renewal activities in a designated area within the City pursuant to ORS Chapter 457; and

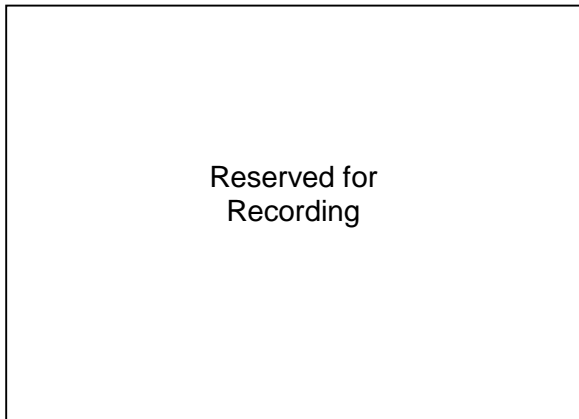
WHEREAS, under the terms of Section VII (Amendments to the Urban Renewal Plan) of the Plan and under state law an amendment adding property in excess of 1% of the existing urban renewal area is a Substantial Amendment and requires the notice, hearing, and approval procedures required by ORS 457.095, and special notice as provided in ORS 457.120; and

WHEREAS, the Agency, pursuant to the requirements of ORS Chapter 457, has caused the preparation of the Cheadle Lake Urban Renewal Plan Amendment attached hereto as Exhibit A (the “Amendment”). The Amendment authorizes certain urban renewal activities within the Cheadle Lake Urban Renewal Area (the “Area”); and

WHEREAS, the Agency has caused the preparation of a certain Urban Renewal Report dated August 15, 2016 attached hereto as Exhibit B (the “Report”) to accompany the Amendment as required under ORS 457.085(3); and

WHEREAS, the Agency forwarded the Amendment and Report to the City’s Planning Commission (the “Commission”) for review and recommendation. The Commission considered the Amendment and Report on November 14, 2016 and adopted an order that the Amendment conformed with the Lebanon Comprehensive Plan; and

After Recording Return to:
City Clerk’s Office
City of Lebanon
925 S. Main Street
Lebanon, OR 97355



WHEREAS, the Amendment and the Report were forwarded on October 13, 2016 to the governing body of each taxing district affected by the Amendment, and the Agency has thereafter consulted and conferred with each taxing district and

WHEREAS, the City Council has not received written recommendations from the governing bodies of the affected taxing districts; and

WHEREAS, on October 13, 2016 the City met with representatives of Linn County to review the Amendment, including proposed maximum indebtedness for the Amendment; and

WHEREAS, Linn County will also have to approve the Amendment; and

WHEREAS, in October, the City caused notice of the hearing to be held before the Council on the Amendment, including the required statements of ORS 457.120(3), to be mailed to property owners within City's incorporated limits through utility bills and to the property owners of the unincorporated properties by direct mailing; and

WHEREAS, on December 14, 2016 the City Council held a public hearing to review and consider the Amendment, the Report, the recommendation of the Lebanon Planning Commission, and the public testimony received on or before that date and to receive additional public testimony; and

WHEREAS, after consideration of the record presented through this date, the City Council does by this Ordinance desire to approve the Amendment.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF LEBANON HEREBY ORDAINS THAT:

Section 1. The Amendment complies with all requirements of ORS Chapter 457 and the specific criteria of 457.095(1) through (7), in that, based on the information provided in the Report, the Lebanon Planning Commission Recommendation and the public testimony before the City Council:

a. The process for the adoption of the Amendment, has been conducted in accordance with the provisions of Chapter 457 of the Oregon Revised Statutes;

b. The area designated in the Amendment as the Cheadle Lake Urban Renewal Area (the "Area") is blighted, as defined by ORS 457.010(1) and is eligible for inclusion within the Amendment because of conditions described in the Report in the Section "Existing Physical, Social, and Economic Conditions and Impacts on Municipal Services", including the existence of inadequate streets and other rights of way, open spaces and utilities and underdevelopment of property within the Area (ORS 457.010(1)(e) and (g));

c. The rehabilitation and redevelopment described in the Amendment to be undertaken by the Agency is necessary to protect the public health, safety or welfare of the City because absent the completion of urban renewal projects, the Area will fail to

contribute its fair share of property tax revenues to support City services and will fail to develop and/or redevelop according the goals of the City's Comprehensive Plan;

d. The Amendment conforms to the Lebanon Comprehensive Plan and provides an outline for accomplishing the projects described in the Plan, as more fully described in the Amendment and in the Lebanon Planning Commission Recommendation;

e. No residential displacement will occur as a result of the acquisition and disposition of land and redevelopment activities proposed in the Amendment and therefore the Amendment does not include provisions to house displaced persons;

f. The acquisition of real property provided in the Amendment is necessary for the development of infrastructure improvements, in the Area and for the development of public spaces; because the Agency does not own all the real property interests (e.g., rights-of-way, easements, fee ownership, etc.) that will be required to undertake and complete these projects as described in Chapter III of the Amendment and Section V of the Report; and

g. Adoption and carrying out the Amendment is economically sound and feasible in that eligible projects and activities will be funded by urban renewal tax revenues derived from a division of taxes pursuant to section 1c, Article IX of the Oregon Constitution and ORS 457.440 and other available funding as more fully described in the Section "Financial Analysis of the Plan" of the Report;

h. The City shall assume and complete any activities prescribed it by the Plan including the Amendment; and

i. The Agency consulted and conferred with affected overlapping taxing districts prior to the Amendment being forwarded to the City Council.

Section 2. The Cheadle Lake First Amendment is hereby approved based upon review and consideration by the City Council of the Amendment and Report, the Lebanon Planning Commission Recommendations, which is hereby accepted, and the public testimony in the record.

Section 3. The City Administrator shall forward forthwith to the Agency a copy of this Ordinance.

Section 4. The Agency shall thereafter cause a copy of the Amendment to be recorded in the Records of Linn County, Oregon.

Section 5. The City Administrator, in accordance with ORS 457.115, shall publish notice of the adoption of the Ordinance approving the Amendment including the provisions of ORS 457.135, in the Lebanon Express no later than four days following adoption of this Ordinance.

Section 6. This ordinance is effective at the latter of 30 days after adoption by the Lebanon City Council or approval of the Amendment by the Linn County Commission.

Passed by the Lebanon City Council and executed by the Mayor on this on this 11th day of January, 2017 by a vote of ____yeas and ____nays.

CITY OF LEBANON, OREGON

Paul R. Aziz, Mayor	<input type="checkbox"/>
Bob Elliott, Council President	<input type="checkbox"/>

ATTESTED BY:

Linda Kaser, City Clerk

Attachments: Exhibit A – Cheadle Lake Urban Renewal Plan Amendment
Exhibit B – Report on the Cheadle Lake Urban Renewal Plan Amendment

EXHIBIT A

Exhibit A Cheadle Lake Urban Renewal Plan First Amendment

The following changes are made in the Cheadle Lake Urban Renewal Plan. Added language is shown in italics. Deleted language is shown by ~~cross-out~~.

I. INTRODUCTION

A. Statement of Purpose

The Plan was amended in the First Amendment to add area to the boundary, add projects, and delete the duration of the Plan. This was a substantial amendment to the Plan.

C. Goals and Objectives of the Urban Renewal Plan

2. Goals for the Urban Renewal Area
5. *Construct new water treatment plant in the Area.*
6. *Add parks to the Area.*

E. Effective Period of the Plan

This section deleted in its entirety.

II. GENERAL DESCRIPTION OF LAND USE PLAN

FIGURE 1 REPLACED IN ITS ENTIRETY.

A. Boundary

~~The Renewal Area encompasses a total of 230.1 acres (including existing public street rights of way) or 213.1 acres (parcel areas only not including existing public street rights of way) and includes 232 tax lots. A total of 161.1 acres (including existing public street rights of way) or 156.5 acres (parcel areas only not including existing public street rights of way) of the Renewal Area is within Lebanon city limits (based on the May 2000 annexation).~~

The Renewal Area encompasses a total of 297.6 acres (including existing public street rights of way) and includes 232 tax lots. Portions of the urban renewal area are in unincorporated Linn County.

B. Land Use Plan, Zoning, and Development Standards

The Land Use Plan for the Renewal Area is based on the City of Lebanon Comprehensive Plan Map and Zoning Map, and on the Linn County and Zoning Map (see Figure 2). The proposed land uses within the Cheadle Lake Urban Renewal Area are consistent with the City's and County's Plan/Zoning Maps. ~~The following table compares the acreage currently planned for each land use within the Renewal Area.~~

**Table 2-4
Planned Land
Uses**

Figures 1 and 2 replaced in their entirety.

1. City of Lebanon Zoning Code

The City of Lebanon Development Code (Zoning Code) provides general descriptions of zoning designations within the Renewal Area. ~~as follows: The restrictions on the land uses, maximum densities and building requirements can be found in the Development Code. General descriptions are included herein.~~

Mixed Use Zone (MU)

This zone is intended to provide areas with the potential for several types of combinations of different land uses (residential, commercial, and industrial). It is also intended to achieve an environment in which different land uses can co-exist by providing building groupings for privacy, usable and attractive open spaces, safe circulation and the general well-being of the inhabitants.

The Mixed-Use Zone is intended to:

1. *Promoted efficient use of land and urban services.*
2. *Create a mixture of land uses that encourages employment and housing options in close proximity to one another.*
3. *Encourage pedestrian-oriented development in all mixed-use areas.*
4. *Provide connections to and appropriate transitions between residential areas and commercial areas.*
5. *Promote independence of movement, especially for the young and elderly who can conveniently walk, cycle, or ride transit.*

~~There are no uses permitted outright in the district. The following are conditional uses permitted subject to review procedures established in the Land Development Code:~~

~~(a) Single family and two family dwellings.~~

~~(b) Accessory buildings and uses which are in keeping with the residential character of the zone in accordance with Article 4.030.~~

~~(c) Triplex.~~

~~(d) Church.~~

~~(e) Governmental structure of land use including but not limited to a public park, playground, recreation building, fire station, library or museum.~~

~~(f) Public or private school or college, including business or trade school.~~

~~(g) Multiple family dwellings (four plex or larger).~~

~~(h) Boarding, lodging or rooming house.~~

- ~~(i) Hospital or nursing home.~~
- ~~(j) Medical or dental clinic~~
- ~~(k) Retail trade establishment such as food store, drug store, hardware store, furniture store, clothing store or department stores and similar retail stores catering to foot traffic.~~
- ~~(l) Business, governmental or professional office and financial institutions.~~
- ~~(m) Service commercial and commercial amusement establishment such as hotel, motel, motor hotel, tourist court, restaurant, tavern, club, lodge, fraternal organization, theater and drive in restaurants.~~
- ~~(n) Personal and business service such as barber shop, tailoring shop and printing shop.~~
- ~~(o) Public parking areas. Parking lots, provided that a 5 foot (1.5 m.) landscape strip is placed along front property lines.~~
- ~~(p) Agricultural uses subject to the conditions and limitations provided herein.
 - ~~(1) No retail or wholesale business sales office shall be maintained on the premises.~~
 - ~~(2) Orchards, tree farms, tree crops, flower gardening, berry and bush crops, truck gardening, nurseries for raising and sales confined to plant materials and other similar enterprises carried on in the general field of horticulture.~~~~
- ~~(q) Mobile home park.~~
- ~~(r) Mobile home sales.~~
- ~~(s) Automobile, boat, trailer or truck rental sales, automobile and truck repair facilities, automobile truck or vehicles service station.~~
- ~~(t) Laundry or dry cleaning establishment including auto laundry, self service laundry, laundry or dry cleaning distribution station.~~
- ~~(u) Funeral home.~~
- ~~(v) Monument sales.~~
- ~~(w) Dairy products processing plant and retail sales.~~
- ~~(x) Farming or logging materials, implements or machinery sales and service.~~
- ~~(y) Retail building materials, lumber supply and hardware sales and storage.~~

~~(z) Second hand goods~~

~~store. (aa) Auction~~

~~house.~~

~~(ab) Animal hospital with enclosed boarding areas for~~

~~convalescent use. (ac) Feed and seed warehouses and retail~~

~~outlets.~~

~~(ad) Freight depots and truck terminals.~~

~~(ae) General warehouses.~~

~~(at) Research laboratories.~~

~~(ag) Storage building for household goods.~~

Highway Commercial Zone (GH HC)

This zone is intended to provide areas suitable for a wide range of auto-oriented commercial and business uses. In order to limit highway accesses and to avoid continuance of "strip commercial" development, this zone calls for businesses to develop in clusters adjacent to major thoroughfares.

Commercial districts are centers of business and civic life. This Chapter describes the three commercial districts that are designed to accommodate the range of commercial land uses in the community. The Central Business Commercial Zone (Z-CCM) is focused on "downtown" area, or the commercial and civic the core of the community (generally that area south of Rose Street, north of Oak Street, primarily east of or adjacent to 4th Street, and primarily west of or adjacent to Park Street). The Highway Commercial Zone (Z-HCM) regulations apply to those commercial areas outside of the central business area, generally located along or in close proximity to arterial streets. These commercial zones are intended to:

- 1. To preserve and enhance areas within the commercial core of the community for the concentrated retail sales and businesses that will serve the pedestrian shopper.*
- 2. Promote efficient use of land and urban services.*
- 3. Create a mixture of land uses that encourages employment and housing options in close proximity to one another.*
- 4. Provide formal and informal community gathering places and opportunities for social activities.*
- 5. Provide connections and appropriate transitions between residential areas and*

commercial areas.

6. *Encourage and nurture pedestrian oriented shopping and activity in the Downtown (Central Business Commercial Zone), and accommodate automobile dependent uses, as well as pedestrian oriented uses, with appropriate standards in the Highway Commercial Zone.*
7. *Provide for visitor accommodations and tourist amenities.*
8. *Encourage full utilization of Downtown infrastructure (including parking) and other amenities.*

~~There are no uses permitted outright in the district. The following uses are permitted in accordance with administrative review procedures:~~

- ~~(a) — Auction house.~~
- ~~(b) — Automobile, boat, trailer, or truck rental and sales. (c) — Automobile repair garage.~~
- ~~(d) — Automobile, truck or vehicles service station. (e) — Business or trade school.~~
- ~~(f) — Dairy products processing plant with retail sales.~~
- ~~(g) — Farming or logging materials, implements or machinery sales and service.~~
- ~~(h) — Laundry or dry cleaning distribution station.~~
- ~~(i) — Mobile home sales.~~
- ~~(j) — Monument sales.~~
- ~~(k) — Retail building materials, lumber supply and hardware sales. (l) — Second hand goods store.~~
- ~~(m) — Professional offices.~~
- ~~(n) — Drive in restaurant.~~
- ~~(o) — Grocery and retail sales of convenience items.~~

- ~~(p) — Hotels, motels, motor hotels and tourist courts.~~
- ~~(q) — Animal hospital with enclosed boarding areas for convalescent use.~~
- ~~(r) — Funeral homes.~~
- ~~(s) — Permanent site built "mini" storage warehouses.~~
- ~~(t) — All uses listed in the CB zone under "uses permitted" in accordance with site review procedures.~~

~~A number of "uses permitted in accordance with site review procedures" and conditional uses are also permitted subject to review procedures established in the Land Development Code.~~

General Industrial Zone (MG IND)

Most of the industrial land in the Lebanon area is utilized by heavy industries. The existing industrial sites are all devoted to lumber and wood products manufacturing, and are located on the City's eastern boundary adjacent to rail and highway access and needed water resources.

The Purpose of the Industrial Zone is to provide lands suitable for manufacturing and related activities, warehousing and similar activities. The intent of this designation is to achieve an environment that provides for land-use compatibility while providing a high-quality environment for businesses and employees.

The Industrial Zone is intended to guide the orderly development of industrial areas based on the following objectives:

- 1. Provide for the creation of jobs.*
- 2. Provide for the efficient use of land and public services.*
- 3. Provide appropriately zoned land with a range of parcel sizes for industry.*
- 4. Provide transportation options for employees and customers.*
- 5. Locate business services close to major employment centers.*
- 6. Ensure compatibility between industrial uses in nearby commercial and residential areas.*
- 7. Provide appropriate design standards to accommodate a range of industrial users.*
- 8. Provide attractive locations for business to locate.*
- 9. Accommodate mixed-use development where appropriate in the Industrial Zone.*

~~There are no uses permitted outright in the district. The following uses are permitted in accordance with administrative review procedures:~~

- ~~(a) Uses involving limited manufacturing, compounding, processing, packaging, treatment or storage which complies with the limitations provided herein.~~
- ~~(b) General warehouses.~~

- ~~(c) Research laboratories.~~
- ~~(d) Storage buildings, including "mini" storage.~~
- ~~(e) Wholesale business salesrooms distributor outlet.~~
- ~~(f) Painting, plumbing, heating, electrical, metal or wood working shops, storage or repairs.~~
- ~~(g) Offices.~~
- ~~(h) Radio and television transmitter.~~
- ~~(i) Service stations and truck repair facilities.~~
- ~~(j) Dwelling and caretaker or watchman employed on the premises and trailers for temporary offices (6 months).~~
- ~~(k) Feed and seed warehouses and retail outlets.~~
- ~~(l) Implement and equipment sales, service and storage.~~
- ~~(m) Lumber and building materials sales and storage.~~
- ~~(n) Restaurants, not to include "drive in" or "fast foods restaurants".~~
- ~~(o) Freight depots and truck terminals.~~
- ~~(p) Kennels and animal hospitals with unenclosed run.~~

~~A number of "uses permitted in accordance with site review procedures" and conditional uses are also permitted subject to review procedures established in the Land Development Code.~~

~~Limited Industrial Zone (ML)~~

~~Existing light industrial areas are devoted to light manufacturing, warehousing or related activities with limited external effect on adjacent land uses.~~

~~There are no uses permitted outright in the district. The following uses are permitted in accordance with administrative review procedures:~~

- ~~(a) Use involving limited manufacturing, compounding, processing, packaging, treatment or storage which complies with the limitations provided herein.~~
- ~~(b) General warehouses.~~

- ~~(c) Research laboratories.~~
- ~~(d) Storage buildings, including "mini" storage.~~
- ~~(e) Wholesale business salesrooms distributor outlet.~~
- ~~(f) Painting, plumbing, heating, electrical, metal or wood working shops, storage or repairs.~~
- ~~(g) Offices~~
- ~~(h) Radio and television transmitter.~~
- ~~(i) Service stations and truck repair facilities.~~
- ~~(j) Dwelling for caretaker or watchman employed on the premises and trailers for temporary offices (6 months).~~

~~A number of "uses permitted in accordance with site review procedures" and conditional uses are also permitted subject to review procedures established in the Land Development Code.~~

Residential Mixed Density Zone

The Residential Mixed Density Zone is intended to accommodate a wider variety of housing types and more intensive land use than the Residential Low Density Zone.

2. Linn County Land Development Code

Urban Growth Area – Urban Growth Management Zone (UGA –UGM – 10)

The Urban Growth Area-Urban Growth Management (UGA-UGM) zoning districts are designated zoning districts within an urban growth area (UGA). The intention of the zoning district is to protect the UGA land for future urban density development. UGA-UGM zoning allows limited low-density and moderate-scale uses until more intensive urban-scale land use activity occurs in conjunction with city annexation or delayed annexation. The UGA–UGM zoning district is composed of four zoning districts (UGM–2½, UGM–5, UGM–10, and UGM–20) which are distinguished only by their property size standards. The density of one UGA–UGM zoning district is not interchangeable with the density of another UGA–UGM zoning district without prior review and approval by the affected city and Linn County.

~~The following uses are permitted outright in the district:~~

- ~~(1) Limited farm use.~~
- ~~(2) The managing and harvesting of forest resources but excluding primary timber processing.~~
- ~~(3) An existing site built dwelling lawfully established on an authorized unit of land may be altered, expanded, or replaced with

 - ~~(a) another site built, or~~
 - ~~(b) a manufactured home subject to LCC 934.790.~~~~
- ~~(4) An existing manufactured dwelling lawfully established on an authorized unit of land may be altered, expanded, or replaced with a manufactured home subject to LCC 934.790.~~
- ~~(5) Sales stand not to exceed 300 square feet in sales area for agricultural products cultivated or raised on the premises.~~
- ~~(6) Accessory structures and uses, except for manufactured dwellings used as storage buildings.~~
- ~~(7) Family day care provider.~~

~~A number of conditional uses are also permitted subject to review procedures established in the Land Development Code.~~

Urban Growth Area - Heavy Industrial Zone (UGA-HI)

The purpose of the Urban Growth Area-Heavy Industrial (UGA-HI) zoning district is to provide areas appropriate for heavy industrial development which does not require full urban services. The designation allows manufacturing and related businesses which have the potential for conflicts with surrounding land uses.

~~The following uses are permitted outright in the district:~~

- ~~(1) Limited farm use.~~
- ~~(2) The managing and harvesting of forest resources but excluding primary timber processing.~~
- ~~(3) An existing site built dwelling lawfully established on an authorized unit of land may~~

~~be altered, expanded, or replaced with~~

~~(a) another site built, or~~

~~(b) a manufactured home subject to LCC 934.790.~~

~~(4) An existing manufactured dwelling lawfully established on an authorized unit of land may be altered, expanded, or replaced with a manufactured home subject to LCC 934.790.~~

~~(5) Sales stand not to exceed 300 square feet in sales area for agricultural products cultivated or raised on the premises.~~

~~(6) Accessory structures and uses.~~

~~A number of conditional uses are also permitted subject to review procedures established in the Land Development Code.~~

Urban Growth Area - Rural Commercial Zone (UGB-RCM)

The Urban Growth Area-Rural Commercial (UGA-RCM) zoning district is designed to protect areas adjacent to urban centers from the type and intensity of land division or development that would impede future urbanization of the area. Until annexation, the uses, minimum property size and development of land within an UGA-RCM zoning district shall be consistent with the Comprehensive Plan designation of the affected city.

~~The following uses are permitted outright in the district:~~

~~(I) Retail uses listed below located within a building or buildings with a total size not to exceed 3,750 square feet.~~

~~(a) Antique~~

~~store. (b)~~

~~General~~

~~store.~~

~~(c) Barber or beauty shop.~~

~~(d) Restaurant.~~

~~(e) Bar, tavern.~~

~~(f) Arts and crafts sales and production.~~

- ~~(g) Grocery store.~~
- ~~(h) Garden center, nursery (greenhouses not included in building size standard).~~
- ~~(2) Automotive and truck services listed below located within a building or buildings with a total size not to exceed 3,750 square feet.~~
 - ~~(a) Service station.~~
 - ~~(b) Repair, including the sale of parts as a secondary use.~~
 - ~~(3) Professional and business offices located in a building or buildings with a total size not to exceed 2,500 square feet.~~
 - ~~(4) One caretaker residence for a use allowed in this section, subject to LCC 932.800 to 932.815.~~
 - ~~(5) Alteration, expansion or replacement of a dwelling lawfully established on an authorized unit of land prior to the establishment of the RCM zoning district.~~
 - ~~(6) Limited farm use.~~
 - ~~(7) Cultivation, management, protection and harvest of forest crops, but excluding timber processing operations or maintenance and repair facilities for timber vehicles or equipment.~~
 - ~~(8) Residential home in an existing dwelling.~~
 - ~~(9) Expansion of a church, public or private school or community center owned or operated by a governmental agency or private, nonprofit, community organization which has been lawfully established on a authorized unit of land, provided such expansion does not exceed 50% of the gross floor area of the structure of 5,000 square feet, whichever is greater.~~
 - ~~(10) Commercial activities in conjunction with farm use.~~
 - ~~(11) Transportation improvements.~~

~~A number of conditional uses are also permitted subject to review procedures established in the Land Development Code.~~

III. OUTLINE OF PROJECTS AND REDEVELOPMENT ACTIVITIES

B. Types of Projects

To encourage rehabilitation and redevelopment of commercial and industrial land and aid in the retention of existing business and industry, the Renewal Agency may improve or construct public facilities and utilities including but not limited to *a new water treatment plant, parks, streets including the utilities within the street right of way, sidewalks, restrooms, parking areas and pedestrian amenities*. Improvements may occur within public rights-of-way, easements, or on public property. The Renewal Agency will work with public and private utilities to make the necessary modifications and adjustments to implement the objectives of the plan.

C. Renewal Projects

The following projects have been identified to achieve the objectives of the Urban Renewal Plan. ~~The projects relate to the Urban Renewal Plan for the identified area (see Figure 3).~~ The Urban Renewal Plan depicts the street/pedestrian improvements, intersection improvements, entrance improvements, parking facilities and other elements of the program that will be phased in over the course of the ~~20-year~~ planning period. There is an overall need to improve the infrastructure in all of these areas to facilitate the proposed and potential new development and to encourage rehabilitation and redevelopment of the residential area.

Projects identified in the 2016 Amendment include:

1. *Porter Park – This project is identified in the City’s Parks Master Plan. The development of this park will involve a phased approach in the construction of a community garden and associated park improvements.*
2. *Russell Drive - Primrose to Porter – This project is identified in the City’s Transportation System Plan. A Residential Collector street will be constructed including a 12-inch storm drain line*
3. *Airport Road – Highway 20 to Russel Drive – Airport Road will be extended matching its existing configuration as a Commercial/Industrial Collector. The street extension will include a 12” water line, 30” storm drainage line and a 12” sanitary sewer main.*
4. *Waterline Installation on Weirich Drive – A 12-inch water line will be installed from the intersection of Highway 20/Weirich east to the City limits.*
5. *New Water Treatment Plant – A new 4.5 million gallons per day water treatment plant will be constructed along with a new raw water intake and pump station located on the South Santiam River. The water treatment plant serves and benefits the Area by providing a facility that will replace an aging facility and allow for upgraded utility service to the Area.*

6. *Porter St. – Russel Dr. to Center St. – This project is identified in the City’s Transportation System Plan. A Residential Collector street will be constructed including a 12” water line, 27”/24” storm drain line and a 12” sanitary sewer line.*
7. *Local Residential Street Improvements – These local Residential Streets will be re-constructed consistent with the Russell Drive Mixed Use Plan as referenced by the Transportation System Plan.*
8. *Local Residential Waterline Installation – These streets will be re-constructed consistent with the Russell Drive Mixed Use Plan as referenced by the Transportation System Plan. As part of these projects 8-inch waterlines will be installed within the street right of way.*
9. *Local Residential Sanitary Sewer Installation – These local residential streets will be re-constructed consistent with the Russell Drive Mixed Use Plan as referenced by the Transportation System Plan. As part of these projects 8-inch sanitary sewer mains will be installed within the street right of way.*
10. *Local Residential Storm Drain Installation – These local residential streets will be re-constructed consistent with the Russell Drive Mixed Use Plan as referenced by the Transportation System Plan. As part of these projects 12-inch storm drainage lines will be installed within the street right of way.*

The following projects are identified in the Amendment, but funding is not presently allocated to these projects. If project costs are reduced in any of the other projects, or additional funding is allocated from other sources, these projects may be pursued:

11. *Porter St. – Center St. to Burdell Blvd. – This project is identified in the City’s Transportation System Plan. A Commercial/Industrial Collector street will be constructed including a 12” water line, 18” storm drain line and a 12” sanitary sewer line.*
12. *Property Purchase for Porter St. Extension – To allow room for the extension of Porter Street the following six residential lots will need to be purchased: 12S02W14CD TL4700, 12S02W14CD TL4800, 12S02W14CD TL5100, 12S02W14CD TL5200, 12S02W14CD TL5300, and 12S02W14CD TL5400. Depending upon how the Porter Street alignment is configured, more or less tax lots in the area may be affected/impacted.*
13. *Local Residential Street Improvements – These local Residential Streets will be re-constructed consistent with the Russell Drive Mixed Use Plan as referenced by the Transportation System Plan.*
14. *Local Residential Waterline Installation – These local Residential Streets including Russell, Parkway, Center, Truman, Railroad, and Gilbert Streets will be re-constructed consistent with the Russell Drive Mixed Use Plan as referenced by the Transportation System Plan. As part of these projects 8-inch waterlines will be installed within the street right of way.*
15. *Local Residential Sanitary Sewer Installation – Local Residential Streets including Russell, Parkway, Center, Truman, Railroad, and Gilbert Streets will be re-constructed consistent with the Russell Drive Mixed Use Plan as referenced by the Transportation*

System Plan. As part of these projects 8-inch sanitary sewer lines will be installed within the street right of way.

16. *Local Residential Storm Drain Installation – Local Residential Streets including Russell, Parkway, Center, Truman, Railroad, and Gilbert Streets will be re-constructed consistent with the Russell Drive Mixed Use Plan as referenced by the Transportation System Plan. As part of these projects 12-inch storm drainage lines will be installed within the street right of way.*
17. *Dewey Street – Primrose to Highway 20 – This project is identified in the City’s Transportation System Plan. A Commercial/Industrial Collector street will be constructed including a 12” water line and 12” storm drain line.*

IV. GENERAL PLANNING ANALYSIS

A. City of Lebanon Comprehensive Plan

This section replaced in its entirety as the comprehensive Plan has been updated since adoption of the urban renewal plan.

The applicable goals and policies are:

Chapter 3 – Urbanization Goals and Policies

The overall Urbanization Goals of the City include:

G-2: Promoting and implementing development policies that encourage the orderly and efficient development within the community.

The City Shall:

P-3: Support a flexible phased program for the orderly extension of water, wastewater, storm drainage and transportation services in response to land development proposals.

P-4: Maintain directives and technical standards for the extension of services as identifies in the various original or updated infrastructure master plans and studies such as the Wastewater Facility Study Master Plan, the Water Facility Study, Storm Drainage Master plan, and the transportation System Plan (TSP).

P-12: Pursue, for public infrastructure development and community enhancement, a variety of funding sources, including urban renewal districts (URDs), local improvement districts (LIDs), grants, and other funding mechanisms.

The Plan conforms with the Urbanization goals because there are specific projects that extend water, sewer, and storm lines to the Area.

Chapter 4 – Land use Goals and Policies

The City’s Land Use Goals include:

G-2: Promoting the orderly development and conservation of lands for urban uses, such as homes, businesses, industries, and streets, as well as parks, open space, and wetlands.

The Plan conforms to the Land Use Goals because there are infrastructure projects that will allow for mixed use and residential development to occur.

Chapter 5 – Economy Goals and Policies

The City’s Economic Goals include the following:

G-4: Providing the opportunity for a full range of commercial, cultural, recreational, educational, health services, and other professional services to meet the needs of the City’s residents and visitors.

The Plan conforms to the Economy goals and policies because there are specific infrastructure projects that will allow for mixed use development to occur.

Chapter 6 – Housing Goals and Policies

The City’s Housing Goals include:

G-4: Providing for connectivity in new developments and to promote efforts to extend trails, pedestrian ways, and bikeways through existing residential areas.

G-5: Cooperating with builders, developers, and others involved in the provision of housing in creating a positive image of the City as a desirable place to live, work, and do business.

The City Shall:

P-3: Allow the location of neighborhood commercial shopping areas within Residential Mixed Density zones and require development standards for such development that reflects the residential area.

P-15: Encourage efforts to complete or connect existing law along routes to schools, parks, or commercial areas.

The Plan conforms to the Housing goals and policies because there are specific infrastructure projects to allow for mixed use development to occur. There are also projects that will improve connectivity of streets for pedestrian traffic.

Chapter 7 – Community Friendly Development Goals and Policies

The City’s Community Friendly Development Goals include:

G-1: Encouraging development patterns that make efficient use of land and energy resources, provide a variety of housing choices, and create multiple transportation options.

G-3: Encouraging policies and ordinances that lead to well-designed, aesthetically pleasing neighborhoods that foster a sense of community and personal interaction.

G-5: Developing streets whose purpose is not solely to move automobiles safely and efficiently, but also to create pedestrian and bicycle friendly environment.

G-10: Allowing appropriately scale neighborhood commercial centers, subject to provisions of the Zoning Ordinance, and residential zones in order to: (1) provide ease of access to basic daily household needs, to eliminate unnecessary automobile trips, and to provide convenience centers for neighborhood social interaction; and, (2) within the Mixed Density Residential Zones in order to allow for commercial activity closer to the source of the customers and to allow the pedestrian access to retail services.

The City Shall:

P-3: Incorporate a variety of local street standards, including widths and design standards based on their function and piracy in the local system.

P-5: Require that standards for local residential streets incorporate design features such as planting strips, and street trees in order to create residential streets whose purpose is not solely to move automobiles safely and efficiently, but also to create a pedestrian friendly environment.

P-6: Require that standards for local collector and arterial streets incorporate design features such as bicycle lanes, planting strips, setback sidewalks, and street trees in order to create streets whose purpose is not solely to move automobiles safely and efficiently, but also to create a pedestrian and bicycle friendly environment.

P-10: Allow limited and appropriately scaled neighborhood commercial services in residential zones with appropriate standards to ensure compatibility.

P-12: Allow appropriately scaled neighborhood commercial and retailed services within the Mixed Density Residential Zones.

The Plan conforms to the Community Friendly Development goals and policies because there are street improvement projects aimed at improving pedestrian and bicycle access. These projects also incorporate planting strips and trees. There are also infrastructure projects that will allow for mixed use development to occur.

Chapter 8 – Transportation Goals and Policies

The City's Transportation Related Goals include the following:

G-1: Developing and maintaining a well-planned, comprehensive transportation system that balances the needs of future land development with the system that serves all users.

G-3: Promoting connectivity and efficient multi-modal access within and between developments and neighborhoods.

The City Shall:

P-1: Review residential street standards to ensure that streets are designed in a manner that provides a safe and balanced environment for all uses, including pedestrians, bicyclists, and automobiles.

P-3: Create local street connectivity standards to ensure that new street development provides a high degree of connectivity between streets for automobiles and also for bicyclists and pedestrians.

P-26: Future streets and highways shall contribute to the creation of an efficient circulation network and provide for convenient movement of traffic and access to all parts of the community.

P-27: The circulation network shall help encourage compact community development, without disrupting or bisecting neighborhoods or other areas with a national unity.

P-29: Promote connectivity and efficient multi-modal access within and between developments and neighborhoods.

P-39: Bikeways shall provide safe, efficient corridors that encourage bicycle use.

P-43: As indicated in the Transportation System Plan, new and redeveloped collector and arterial streets shall be designed to accommodate bicycle corridors.

P-53: New development and redevelopment project shall encourage pedestrian access by providing convenient, useful, and direct pedestrian facilities.

P-54: All arterial and collector streets shall have sidewalks or other pedestrian ways constructed at the time of initial street improvement to support and facilitate pedestrian use.

P-55: Safe and convenient pedestrian facilities that minimize travel distance shall be provided by new development within and between new subdivisions, planned developments, shopping centers, industrial parks, residential areas, transit stops, and neighborhood activity centers such as schools, parks, and shopping.

P-59: The City shall continue to provide and improve sidewalks and pedestrian ways as part of its continuing street improvement program.

The Plan conforms to the Transportation goals and policies because there are specific projects to improve streets and in those improvements, adding bikeways and sidewalks or other pedestrian ways.

Chapter 9 – Public Facilities Goals and Policies

G-2: Planning and developing a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban development for both existing and planned land uses.

G-4: Ensuring that essential public facilities and service capabilities (transportation, storm drainage, sewer and water service) are either in place before new development occurs and/or are constructed concurrently with such development.

The City Shall:

P-1: Support a flexible phase program for the orderly extension of water, wastewater, and transportation services in response to land development proposals.

P-15: Pursue, for public infrastructure development and community enhancement, a variety of funding sources, including urban renewal districts (URDs), local improvement districts (LIDs), and other funding mechanisms.

P-37: Seek to achieve a variety of parkland, secure adequate city-wide neighborhood and local parks, acquire unique natural areas, achieve a system of linear greenways, and create school/park recreational areas where possible.

The Plan conforms to the Public Facilities goals and policies because it has specific projects to fund a new park, and extend water, waste water, and sewer services to the area and construct a new water treatment plant in the Area.

VI. METHODS OF FINANCING AND REDEVELOPMENT PROJECTS

D. Completion of Projects

This Section deleted in its entirety as the duration provision is also deleted.

VII. RENEWAL PLAN AMENDMENTS

The Plan anticipates the possibility of both substantial and minor amendments becoming necessary in response to changes in economic conditions, land use, and other factors. In accordance with ORS 457.220, any substantial amendment to the Plan shall, before being carried out, be approved and recorded in the same manner as called for in the original plans adopted under the requirements of ORS 457.085. *When there is property that is in unincorporated Linn County, the substantial amendment will also have to be approved by the Linn County Commission.*

For the purposes of the document, "**substantial amendment**" means:

- Adding land to the urban renewal area, except for an addition of land that totals not more than one percent of the existing area of the Cheadle Lake Urban Renewal Area.
- ~~Extending the date after which no indebtedness shall be issued with respect to the plan or any project undertaken or to be undertaken under the urban renewal plan.~~
- Increasing the maximum amount of indebtedness that can be issued or incurred under the urban renewal plan.
- ~~Revisions in the Renewal Area boundaries.~~
- ~~Additions of projects other than those specifically listed that exceed an estimated \$200,000 in project cost.~~
- ~~Extending the term of the Plan for this district.~~

Appendix 2 – Legal Description - This section replaced in its entirety.

EXHIBIT B

**Report Accompanying the Cheadle
Lake Urban Renewal Plan First
Substantial Amendment**

Adopted by the City of Lebanon

December 14, 2016

Ordinance No. 2016-18 #2887

Cheadle Lake Urban Renewal Area

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TABLE OF CONTENTS

I. INTRODUCTION	4
II. EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND IMPACTS ON MUNICIPAL SERVICES.....	5
III. REASONS FOR SELECTION OF EACH URBAN RENEWAL AREA IN THE PLAN 13	
IV. THE RELATIONSHIP BETWEEN URBAN RENEWAL PROJECTS AND THE EXISTING CONDITIONS IN THE URBAN RENEWAL AREA	13
V. THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEYS TO PAY SUCH COSTS	17
VI. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT	19
VII. THE ESTIMATED AMOUNT OF TAX INCREMENT REVENUES REQUIRED AND THE ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED ..	23
VIII. FINANCIAL ANALYSIS OF THE PLAN	27
IX. IMPACT OF THE TAX INCREMENT FINANCING	28
X. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF URBAN RENEWAL AREA	35
XI. RELOCATION REPORT.....	35

I. INTRODUCTION

The Report on the Cheadle Lake Urban Renewal Plan Amendment (Report) contains background information and project details that pertain to the Cheadle Lake Urban Renewal Plan Amendment (Amendment). The Report is not a legal part of the Cheadle Lake Urban Renewal Plan (Plan), but is intended to provide public information and support the findings made by the City Council as part of the approval of the Plan.

The Report provides the analysis required to meet the standards of ORS 457.085(3), including financial feasibility. The format of the Report is based on this statute. The Report documents not only the proposed projects in the Plan, but also documents the existing conditions in the Cheadle Lake Urban Renewal Area.

The Report provides only guidance on how the Plan might be implemented. As the Lebanon Urban Renewal Agency (Agency) conducts its annual budget process each year, it has the authority to make adjustments to the assumptions in this Report, particularly in regards to forecast revenues and planned expenditures. The Agency may allocate budgets differently, adjust the timing of the projects, decide to incur debt at different timeframes than projected in this Report, and make other changes, as allowed in the amendments section of the Plan.

II. EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND IMPACTS ON MUNICIPAL SERVICES

This section of the Report describes existing conditions within the Cheadle Lake Urban Renewal Area (Area) and documents the occurrence of “blighted areas,” as defined by ORS 457.010(1).

A. Physical Conditions

1. Land Use

The Cheadle Lake Urban Renewal Existing Area (Existing Area), the area prior to the Amendment, was identified in the Plan as containing 230.44 acres. A review of the legal description and GIS mapping indicates the existing area is actually 250.3 acres, as some right of way was not counted in the original acreage determination, although it was specified in the legal description. The Amendment Area is 47.3 acres (Figure 1). The Area as amended is 297.6 acres in size containing 232 tax lots consisting of 250.8 acres and 46.80 acres of right of way (Figure 2).

An analysis of property classification data for FYE 2016 from the Linn County Department of Assessment and Taxation was used to determine the land use designation of tax lots in the Area as amended. By acreage, residential and industrial uses account for the largest land use within the area (18% each). This is followed by commercial uses (10%). The total land uses of the Area, by acreage and parcel, are shown in Table 1.

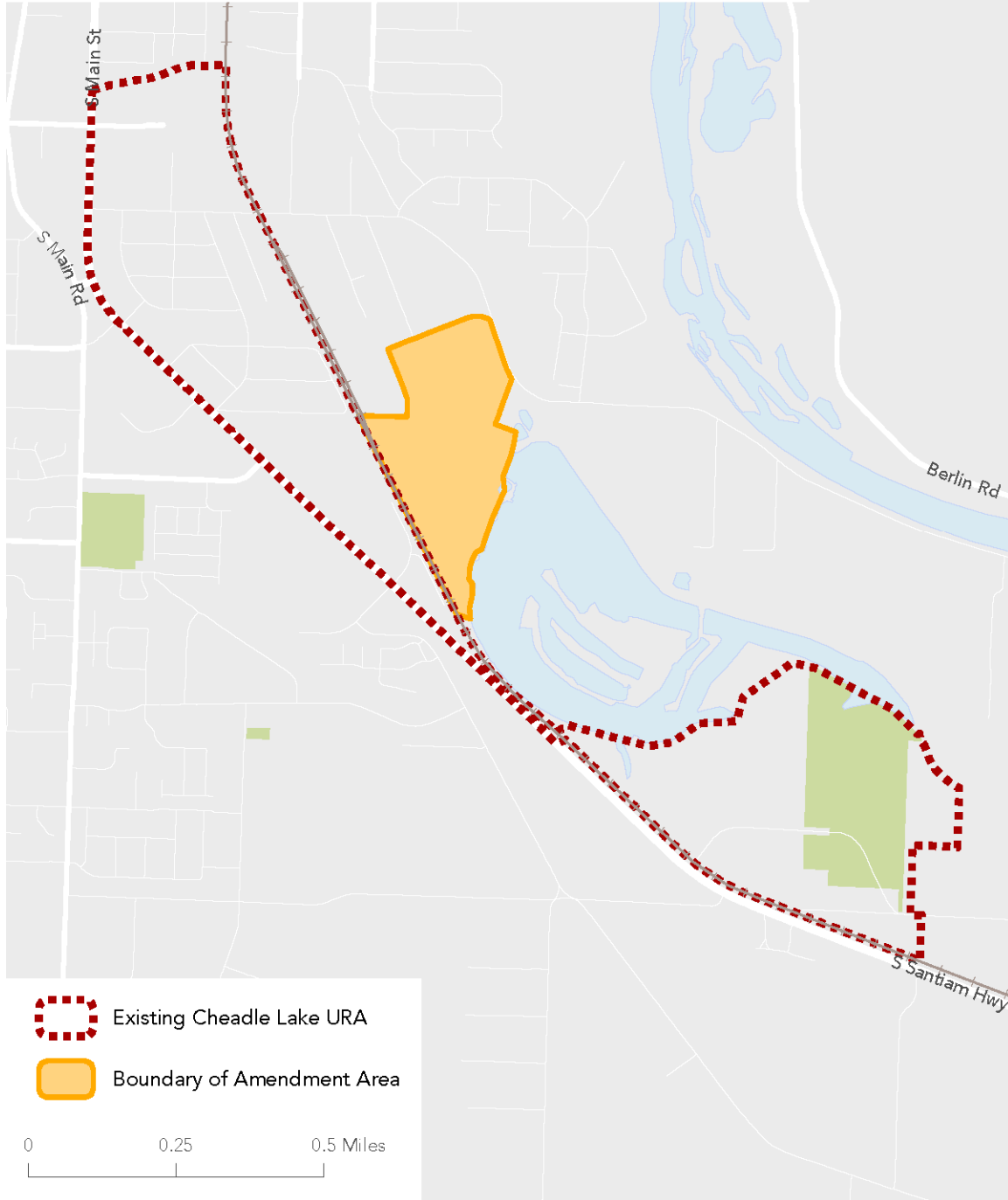
Table 1 – Existing Land Use of Area

Land Use	Existing Taxlots	Existing Acres	Amendment Taxlots	Amendment Acres	Total Taxlots	Total Acres	Percent of Acres
Industrial	5	23.3	3	21.8	8	45.2	18%
Residential	145	35.8	1	8.3	146	44.2	18%
Commercial	33	25.7	0	0	33	25.7	10%
Multifamily	1	2.5	0	0	1	2.5	1%
Vacant	43	119.7	1	14	44	133.3	53%
Total	227	207.1	5	43.7	232	250.8	100%

Source: Compiled by ECONorthwest with data from the City of Lebanon and Linn County Office of Assessor and Taxation (FYE 2016)

Figure 1 – Cheadle Lake Urban Renewal Plan Area Existing Area and Amendment

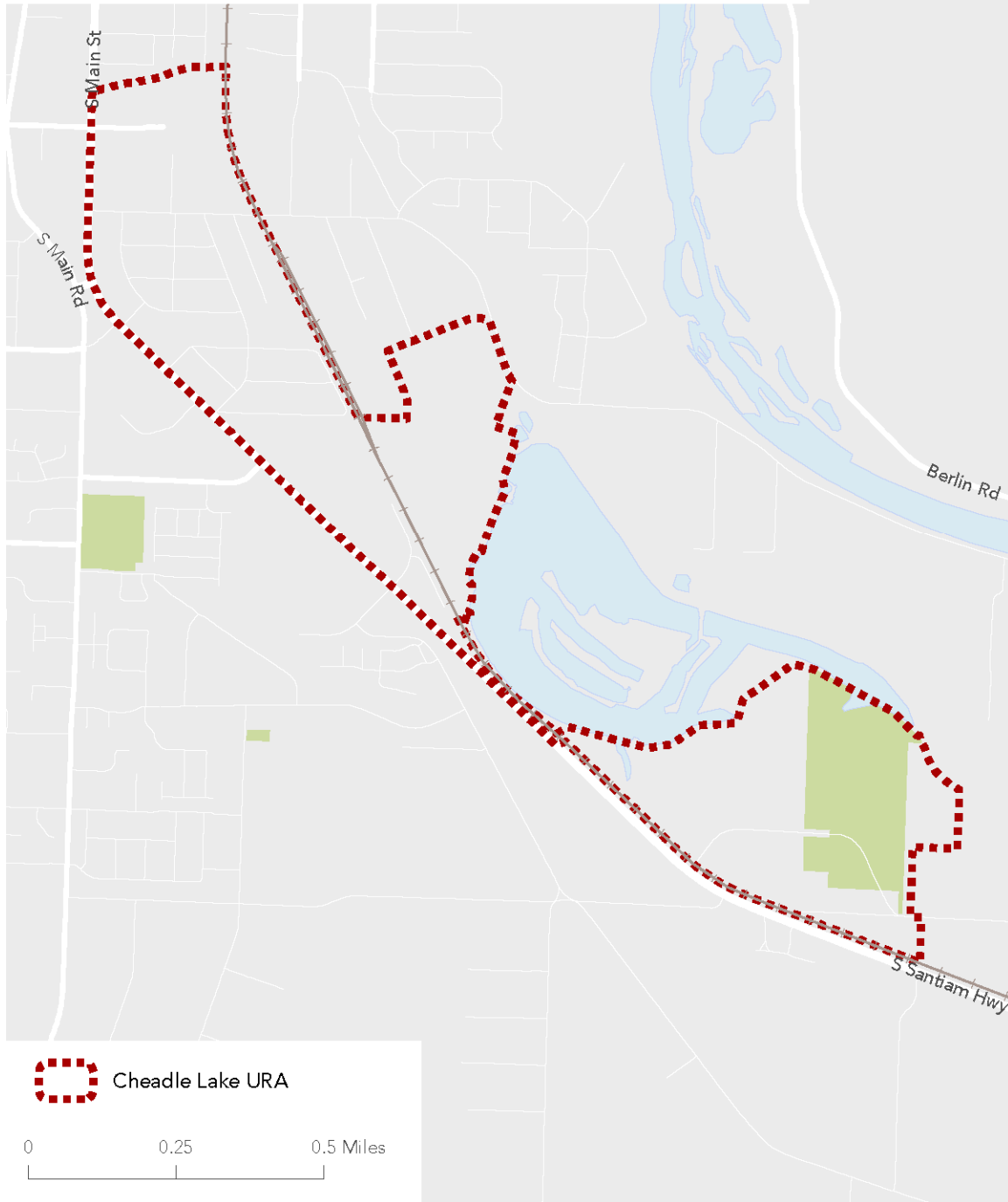
Cheadle Lake Urban Renewal Area Boundary of Amendment Area



Source: ECONorthwest from City of Lebanon GIS data

Figure 2 – Cheadle Lake Urban Renewal Plan Area As Amended

Cheadle Lake Urban Renewal Area Boundary as Amended



Source: ECONorthwest from City of Lebanon GIS data

2. Zoning and Comprehensive Plan Designations

For the Area the zoning and comprehensive plan designations are the same. As illustrated in Table 2 the largest portion of the Area (51%) is zoned as mixed-use. This is followed by industrial (19%). A portion of the property is not yet in the city limits and is zoned as Urban Growth Area (UGA), with either Urban Growth Management, Urban Growth Area Heavy Industrial (UGA-HI), or Urban Growth Area Rural Commercial designations (UGA-RCM). The Urban Growth Area-Urban Growth Management (UGA-UGM) zoning district is composed of four zoning districts which are distinguished only by their property size standards. The -10 stands for a 10,000 square foot lot. The Comprehensive Plan map shown in Figure 3 indicates the designations of the Area expected once all properties are annexed in the future.

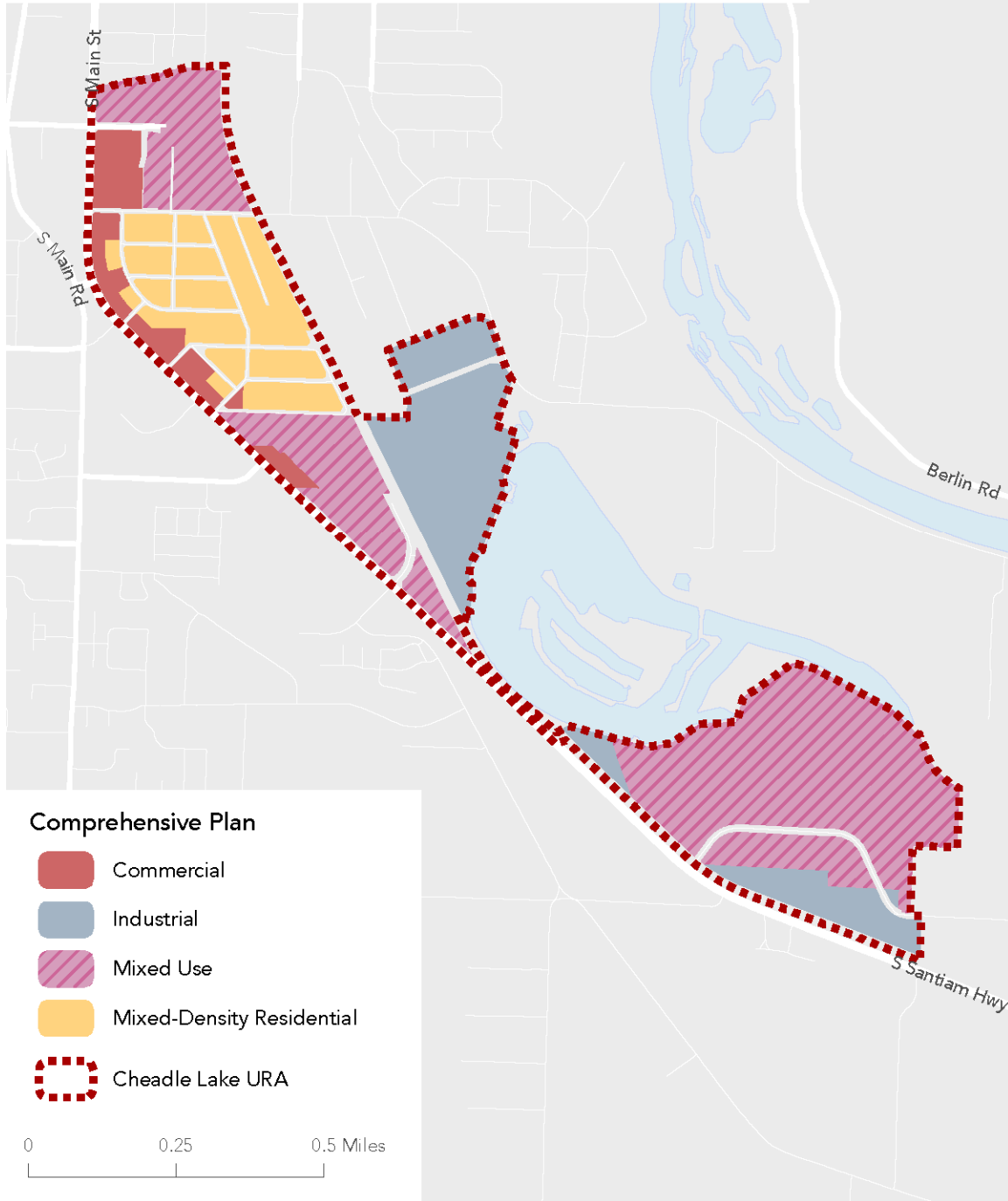
Table 2 – Existing Zoning and Comprehensive Plan Designations of Area

Zoning and Comprehensive Plan Designation	Existing Taxlots	Existing Acres	Amendment Taxlots	Amendment Acres	Total Taxlots	Total Acres	Percent of Acres
Mixed Use	23	126.8	0	0	23	126.8	51%
Industrial	1	2.7	5	43.7	6	46.4	19%
Highway Commercial	36	24.3	0	0	36	24.3	10%
UGA-UGM-10	152	35.7	0	0	152	35.7	14%
UGA-HI	3	11.1	0	0	3	11.1	4%
Residential Mixed Density	11	6.0	0	0	11	6.0	2%
UGA-RCM	1	0.4	0	0	1	0.4	0%
Total	227	207.1	5	43.7	232	250.8	100%

Source: Compiled by ECONorthwest with data from the City of Lebanon and Linn County Office of Assessor and Taxation (FYE 2016)

Figure 3 – Area Comprehensive Plan Designations

Cheadle Lake Urban Renewal Area Comprehensive Plan Designations



Source: ECONorthwest from City of Lebanon GIS data

B. Infrastructure

This section identifies the existing conditions in the Area to assist in establishing blight. There are projects listed in City of Lebanon master plans and Lebanon Transportation Systems Plan that identify these existing conditions. **This does not mean all of these projects are included in the urban renewal plan.** The specific projects to be included in the urban renewal plan are listed in Sections IV and V of this document.

1. Transportation

The Russell Drive Area Mixed Use Neighborhood Center Final Implementation Plan, dated 2003, has identified the road improvement standards needed throughout the Russell Drive area. These standards are Arterial, Minor Arterial, Collector, Neighborhood Collector, and Local Street. The street improvements needed are as follows:

Arterial

Main St/Santiam Highway

Minor Arterial

Airport Road

Russell Drive beyond Porter Street

Collector

Porter Street beyond Primrose Avenue

Market Street

Neighborhood Collector

Russell Drive from Main Street to Porter Street

Primrose Avenue

Porter Street from Russell Drive to Primrose Avenue

Parkway

Local Street

Taylor Street

Alder Street

Willow Lane

Russel Street

Center Street

McKinney Street

Railroad Street

2. Water

In the project list transmitted by city of Lebanon staff existing conditions of projects were identified. Staff noted the following deficiencies in this area: Porter, Willow, Taylor, Alder, Dewey, McKinney, Primrose, Russell, Parkway, Center, Truman, Railroad, and Gilbert Streets do not contain any city utilities (water, sewer, and storm).

There are also two projects identified in the water master plan within the urban renewal area, listed below:

Table 3 – Water Projects

No.	Project Title	Description	Total Capital Cost
24	Central-eastern distribution improvements	P-825: 3,430' of 12" pipe running north from intersection of Market St. and Main St. to approximately 900 ft north from the end of Porter St. and Russel Dr.	\$480,000
19	Water treatment plant to treat river bank well water	Includes land purchase, water treatment plant, new 2-MG clearwell, high service pump station, and finished water transmission pipeline	\$13,300,000

Source: Lebanon Water Master Plan

3. Storm Water

In the project list transmitted by city of Lebanon staff existing conditions of projects were identified. Staff noted the following deficiencies in this area: Porter, Willow, Taylor, Alder, Dewey, McKinney, Primrose, Russell, Parkway, Center, Truman, Railroad, and Gilbert Streets do not contain any city utilities (water, sewer, and storm).

4. Sewer

In the project list transmitted by city of Lebanon staff existing conditions of projects were identified. Staff noted the following deficiencies in this area: Porter, Willow, Taylor, Alder, Dewey, McKinney, Primrose, Russell, Parkway, Center, Truman, Railroad, and Gilbert Streets do not contain any city utilities (water, sewer, and storm).

5. Parks and Open Space

The Russell Drive Implementation Plan contains recommendations for acquiring and developing a neighborhood park. In addition, two mini-parks are proposed where through vehicle traffic is proposed to be eliminated. Implementation of these recommendations does not require an amendment to the Parks Plan, which shows a conceptual location for a neighborhood park in the Russell Drive area. The park-related recommendations in the plan provide direction to the city for property acquisition and development. Once acquisition is

complete, park improvements should be programmed in the Lebanon Capital Improvements Plan.¹

Porter Street Park is classified as an undeveloped park according to the Lebanon Parks Master Plan.² The park is currently surrounded by unimproved streets and is not currently served by water service.³ One of the current recommendations for the Porter Street Park site is to develop it as a neighborhood park with facilities including a multi-use play area, a picnic area, paved internal pathway system, automatic irrigation system, landscaping and trees.⁴

C. Social Conditions

Data from the US Census Bureau is used for compiling the social conditions. The geographies used by the Census Bureau to summarize data do not strictly conform to the boundary of the Cheadle Lake Urban Renewal Area. As such, we use the Census Bureau geographies that most closely align with the Urban Renewal Area boundary.

For data on age and race, we are able to use block-level analysis to identify the geographic area that most closely aligns with the Area boundary. This includes data on 36 individual Census blocks located in two different block groups within Census Tract 309.4. The total population of these Census blocks was reported as 381 in 2010. Other demographic data, however, including educational attainment, travel-time to work, and means of transportation to work are not available at the block-level. Therefore, we must use a larger geographic area – the entirety of Census Block Group 2 within Census Tract 309.04 – for these data. This larger block group area, however, is significantly larger than the Area as amended, with a total population of 1,732, according to the American Community Survey 2010 to 2014 five-year estimates.

Within the Cheadle Lake Urban Renewal Area, there are 146 tax lots shown as residential use (see Table 1). According to the block-level analysis of US Census Bureau data, there were 381 residents in these census blocks. In these census blocks, the largest percent, 16%, of residents were 55 to 64 years of age.

¹ Russell Drive Implementation Plan, Page 12

² Lebanon Parks Master Plan, Page ii.

³ Lebanon Parks Master Plan, Page 3-26, 3-27

⁴ Lebanon Parks Master Plan, Page 6-85

Table 4 – Age in the Area

Age	Number	Percent
Under 5 Years	15	4%
5 to 9 Years	32	8%
10 to 14 Years	35	9%
15 to 17 Years	24	6%
18 to 24 Years	34	9%
25 to 34 Years	35	9%
35 to 44 Years	44	12%
45 to 54 Years	58	15%
55 to 64 Years	60	16%
65 to 74 Years	23	6%
75 to 84 Years	18	5%
85 Years and over	3	1%
Total	381	100%

Source: United States Decennial Census, 2010

The largest percentage of residents, 90%, are white alone.

Table 5 – Race in the Area

Race	Number	Percent
White Alone	343	90%
Black or African American Alone	3	1%
American Indian and Alaska Native Alone	6	2%
Asian Alone	1	0%
Native Hawaiian and Other Pacific Islander Alone	0	0%
Some Other Race Alone	14	4%
Two or More races	14	4%
Total	381	100%

Source: United States Decennial Census, 2010

For the Area, 11% have earned a bachelor’s degree or higher, another 35% have some college education without a degree, and another 40% have graduated from high school.

Table 6 – Educational Attainment in the Area

Educational Attainment	Number	Percent
Less Than High School	178	14%
High School Graduate (includes equivalency)	494	40%
Some college	433	35%
Bachelor's degree	106	9%
Master's degree	20	2%
Professional school degree	0	0%
Doctorate degree	0	0%
Total	1,231	100%

Source: Social Explorer, American Community Survey 2010-2014 5-Year Estimates

For the block group 53% drove less than 19 minutes to work.

Table 7 – Travel Time to Work in the Area

Travel Time to Work	Number	Percent
Less than 10 minutes	128	23%
10 to 19 minutes	165	30%
20 to 29 minutes	24	4%
30 to 39 minutes	108	20%
40 to 59 minutes	33	6%
60 to 89 minutes	0	0%
90 or More minutes	18	3%
Worked at home	76	14%
Total	552	100%

Source: Social Explorer, American Community Survey 2010-2014 5-Year Estimates

For the block group the vast majority, 78%, drove alone to work.

Table 8 – Means of Transportation to Work in the Area

Means of Transportation to Work	Number	Percent
Drove Alone	431	78%
Carpooled	24	4%
Public transportation (Includes Taxicab)	0	0%
Motorcycle	0	0%
Bicycle	0	0%
Walked	21	4%
Other means	0	0%
Worked at home	76	14%
Total	552	100%

Source: Social Explorer, American Community Survey 2010-2014 5-Year Estimates

D. Economic Conditions

1. Taxable Value of Property within the Area

The total assessed value of the Existing Area calculated with data from the Linn County Department of Assessment and Taxation including all real, personal, manufactured, and utility properties, is estimated to be \$38,999,093. The estimated assessed value of the properties to be added is \$3,660,077. This approximate amount, adjusted for annual changes in property values, will be added to the frozen base in FYE 2019. Some properties are presently in unincorporated Linn County and some within the city of Lebanon.

2. Building to Land Value Ratio

An analysis of property values can be used to evaluate the economic condition of real estate investments in a given area. The relationship of a property's improvement value (the value of buildings and other improvements to the property) to its land value is generally an accurate indicator of the condition of real estate investments. This relationship is referred to as the "Improvement to Land Value Ratio," or "I:L." The values used are real market values. In urban renewal areas, the I:L is often used to measure the intensity of development or the extent to which an area has achieved its short- and long-term development objectives.

Table 9 below shows the improvement to land ratios for properties within The Area. The majority of tax lots in the area (78% of the total acreage) have I:L ratios of less than 1.0, including 58% with no improvements at all. In other words, the improvements on these properties are worth less than the land they sit on. A target I:L ratio for healthy development in the Area would be 2.0. Only 41 tax lots in the area, including 13% of the acreage have I:L ratios of 2.0 or more in FYE 2016. The Area as a whole, is underdeveloped and not contributing its full potential to the tax base in Lebanon.

Table 9 – I:L Ratio of Tax lots in the Area

	Total Taxlots	Total Acres	Percent of Acres
No Improvement Value	53	146.4	58%
0.01-0.50	34	31.2	12%
0.51-1.00	34	17.6	7%
1.01-1.50	33	16.3	6%
1.51-2.00	37	9.6	4%
2.01-2.50	15	4.7	2%
2.51-3.00	16	11.5	5%
3.01-4.00	8	9.5	4%
> 4.00	2	4.1	2%
Total	232	250.8	100%

Source: Compiled by ECONorthwest with data from the City of Lebanon and Linn County Office of Assessor and Taxation (FYE 2016)

E. Impact on Municipal Services

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (affected taxing districts) is described in Section IX Impact of Tax Increment Financing of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

The projects being considered for future use of urban renewal are utility and transportation projects. The use of urban renewal funding for these projects allows the City to match other funding sources to actually construct the improvements. It also allows the City to tap a different funding source besides the City of Lebanon general fund or the City's system development charges (SDC) to make these improvements.

The Area includes both property within the city limits and unincorporated properties. It is anticipated that these improvements will bring the Area to urban standards and allow for future annexation. As the property is either in the city limits or in the urban growth boundary, the city has anticipated future municipal services to the Area. As any new development will be new construction or redevelopment, it will be up to current building code and will aid in any fire protection needs. An upgraded transportation system and water lines to the Area will also assist in fire prevention to the Area.

The financial impacts from tax increment collections will be countered by providing future development in the Cheadle Lake Area and, in the future, placing property back on the property tax rolls with future increased tax bases for all taxing jurisdictions.

III. REASONS FOR SELECTION OF EACH URBAN RENEWAL AREA IN THE PLAN

The reason for selecting the Area is to provide the ability to fund improvements necessary to cure blight within the Area.

IV. THE RELATIONSHIP BETWEEN URBAN RENEWAL PROJECTS AND THE EXISTING CONDITIONS IN THE URBAN RENEWAL AREA

The projects identified for the Area are described below, including how they relate to the existing conditions in the Area.

A. Phase 1

- Porter Park – This project is identified in the City's Parks Master Plan. The development of this park will involve a phased approach in the construction of a community garden and associated park improvements.

Existing conditions: Porter Park is currently a city owned vacant lot with no improvements.

- Russel Drive – Primrose to Porter – This project is identified in the City’s Transportation System Plan. A Residential Collector street will be constructed including a 12-inch storm drain line.

Existing conditions: Russel Drive is a County Standard roadway consisting of two 11 foot lanes with water and sewer installed within the right of way. There are no storm drainage improvements.

- Airport Road – Hwy 20 to Russel Drive – Airport Road will be extended matching its existing configuration as a Commercial/Industrial Collector. The street extension will include a 12” water line, 30” storm drainage line and a 12” sanitary sewer main.

Existing conditions: Airport Rd. is full built out including all utilities for a distance of approximately 600 feet east of Highway 20 ending just past Safeway’s driveway entrance.

- Waterline Installation on Weirich Drive – A 12-inch water line will be installed from the intersection of Highway 20/Weirich east to the City limits.

Existing conditions: Weirich Dr. does not have an existing water line.

- New Water Treatment Plant – A new 4.5 million gallons per day water treatment plant will be constructed along with a new raw water intake and pump station located on the South Santiam River.

Existing conditions: Lebanon has an existing aging water treatment plant located at 2nd and A Street. This plant will be replaced with a new water treatment plant located at 2500 River Road just north of Cheadle Lake. The proposed location is a vacant tax lot which has been cleared and prepped for the construction of the new plant.

B. Phase 2

- Porter St. – Russel Dr. to Center St. – This project is identified in the City’s Transportation System Plan. A Residential Collector street will be constructed including a 12” water line, 27”/24” storm drain line and a 12” sanitary sewer line.

Existing conditions: Porter Street is a 20-foot-wide county standard roadway (no sidewalks or curb and gutter) and does not contain any city utilities (water, sewer and storm).

- Local Residential Street Improvements – These local Residential Streets will be re-constructed consistent with the Russell Drive Mixed Use Plan as referenced by the Transportation System Plan.

Existing conditions: The residential streets (Willow, Taylor, Alder, Dewey, McKinney and Primrose) range in width from 18 to 20 feet wide and are county standard roadways with no sidewalks or curb and gutter and do not contain any city utilities (water, sewer and storm).

- Local Residential Waterline Installation – These streets will be re-constructed consistent with the Russell Drive Mixed Use Plan as referenced by the Transportation System Plan. As part of these projects 8-inch waterlines will be installed within the street right of way.

Existing conditions: The following residential streets (Willow, Taylor, Alder, Dewey, McKinney and Primrose) range in width from 18 to 20 feet wide and are county standard roadways with no sidewalks or curb and gutter and do not contain any city utilities (water, sewer and storm drainage).

- Local Residential Sanitary Sewer Installation – These local residential streets will be re-constructed consistent with the Russell Drive Mixed Use Plan as referenced by the Transportation System Plan. As part of these projects 8-inch sanitary sewer mains will be installed within the street right of way.

Existing conditions: The following residential streets (Willow, Taylor, Alder, Dewey, McKinney and Primrose) range in width from 18 to 20 feet wide and are county standard roadways with no sidewalks or curb and gutter and do not contain any city utilities (water, sewer and storm drainage).

- Local Residential Storm Drain Installation – These local residential streets will be re-constructed consistent with the Russell Drive Mixed Use Plan as referenced by the Transportation System Plan. As part of these projects 12-inch storm drainage lines will be installed within the street right of way.

Existing conditions: The following residential streets (Willow, Taylor, Alder, Dewey, McKinney and Primrose) range in width from 18 to 20 feet wide and are county standard roadways with no sidewalks or curb and gutter and do not contain any city utilities (water, sewer and storm drainage).

C. Phase 3 (these projects are not presently funded, but are being kept in the Plan in case funding allocations change in the future and there is sufficient funding to do portions of these projects)

- Porter St. – Center St. to Burdell Blvd. – This project is identified in the City’s Transportation System Plan. A Commercial/Industrial Collector street will be constructed including a 12” water line, 18” storm drain line and a 12” sanitary sewer line.

Existing conditions: Porter Street is a 20-foot-wide county standard roadway (no sidewalks or curb and gutter) and does not contain any city utilities (water, sewer and storm).

- Property Purchase for Porter St. Extension – To allow room for the extension of Porter Street the following six residential lots will need to be purchased: 12S02W14CD TL4700, 12S02W14CD TL4800, 12S02W14CD TL5100, 12S02W14CD TL5200, 12S02W14CD TL5300, and 12S02W14CD TL5400. Depending upon how the Porter Street alignment is configured, more or less tax lots in the area may be affected/impacted.

Existing conditions: Porter Street is a 20-foot-wide county standard roadway (no sidewalks or curb and gutter) and does not contain any city utilities (water, sewer and storm). To extend Porter Street approximately six (6) residentially zoned lots will need to be purchase making room for the street right of way. These lots are fully developed with single family homes.

- Local Residential Street Improvements – These local Residential Streets will be re-constructed consistent with the Russell Drive Mixed Use Plan as referenced by the Transportation System Plan.

Existing conditions: The residential streets (Russell, Parkway, Center, Truman, Railroad, and Gilbert Streets) range in width from 18 to 20 feet wide and are county standard roadways with no sidewalks or curb and gutter and do not contain any city utilities (water, sewer and storm).

- Local Residential Waterline Installation – These local Residential Streets including Russell, Parkway, Center, Truman, Railroad, and Gilbert Streets will be re-constructed consistent with the Russell Drive Mixed Use Plan as referenced by the Transportation System Plan. As part of these projects 8-inch waterlines will be installed within the street right of way.

Existing conditions: The residential streets (Russell, Parkway, Center, Truman, Railroad, and Gilbert Streets) range in width from 18 to 20 feet wide and are county standard roadways with no sidewalks or curb and gutter and do not contain any city utilities (water, sewer and storm).

- Local Residential Sanitary Sewer Installation – Local Residential Streets including Russell, Parkway, Center, Truman, Railroad, and Gilbert Streets will be re-constructed consistent with the Russell Drive Mixed Use Plan as referenced by the Transportation System Plan. As part of these projects 8-inch sanitary sewer lines will be installed within the street right of way.

Existing conditions: The residential streets (Russell, Parkway, Center, Truman, Railroad, and Gilbert Streets) range in width from 18 to 20 feet wide and are county

standard roadways with no sidewalks or curb and gutter and do not contain any city utilities (water, sewer and storm).

- Local Residential Storm Drain Installation – Local Residential Streets including Russell, Parkway, Center, Truman, Railroad, and Gilbert Streets will be re-constructed consistent with the Russell Drive Mixed Use Plan as referenced by the Transportation System Plan. As part of these projects 12-inch storm drainage lines will be installed within the street right of way.

Existing conditions: The residential streets (Russell, Parkway, Center, Truman, Railroad, and Gilbert Streets) range in width from 18 to 20 feet wide and are county standard roadways with no sidewalks or curb and gutter and do not contain any city utilities (water, sewer and storm).

- Dewey Street – Primrose to Highway 20 – This project is identified in the City’s Transportation System Plan. A Commercial/Industrial Collector street will be constructed including a 12” water line and 12” storm drain line.

Existing conditions: Dewey Street is a partial improved county standard roadway and does not contain city water or storm utilities.

D. Finance Fees and Administration

This project will allow for the repayment of costs associated with the implementation of the Cheadle Lake Urban Renewal Plan. It also includes ongoing administration and any financing costs associated with issuing long- and short-term debt, relocation costs and other administrative costs.

Existing Conditions: This is currently provided for in the Cheadle Lake Urban Renewal Plan and will continue to be an activity in the future.

V. THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEYS TO PAY SUCH COSTS

The estimated allocation of funds to specific projects shown in this Report are the best estimates of future expenditures at the time of preparation of the Amendment. The Agency will be able to review and update the allocations on an annual basis when they prepare the annual budget. Nominal dollars are year of expenditure dollars inclusive of inflation, which is assumed to be 3.0% per year.

Table 10 – Projects to be Completed Using Urban Renewal Area Funds

Project Description	Category	Total Cost	Urban Renewal Funding		
		Constant 2016 \$	Constant 2016 \$	Year-of-Expenditure \$	FYE Completed
Phase 1					
Porter Park	Parks	\$650,000	\$650,000	\$650,000	2017
Russel Drive - Primrose Street to Porter Street	Streets	\$1,301,040	\$1,301,040	\$1,301,000	2017
Airport Road - Hwy 20 to Russel Drive	Streets	\$2,145,325	\$2,145,325	\$2,145,300	2017
Water Line (Weirich), 12" ductile iron - Hwy 20 to City limits	Water	\$649,740	\$649,740	\$710,000	2020
Water Treatment Plant	Water	\$1,300,000	\$1,300,000	\$1,507,100	2022
Subtotal		\$6,046,105	\$6,046,105	\$6,313,400	
Phase 2					
Porter Street - Russell Drive to Center Street	Streets	\$1,662,375	\$1,662,375	\$2,234,100	2027
Local Street Improvements in residential area	Streets	\$1,601,600	\$1,601,600	\$2,726,600	2035
Water Line, 8" - residential area	Water	\$572,000	\$572,000	\$724,600	2025
Sanitary Sewer, 8" - residential area	Sanitary Sewer	\$514,800	\$514,800	\$902,700	2036
Storm Drain, 12" - residential area	Storm Drainage	\$514,800	\$126,090	\$221,098	2036
Subtotal		\$4,865,575	\$4,476,865	\$6,809,098	
Phase 3					
Porter Street - Center Street to Burdell Blvd	Street	\$3,478,475	\$0	\$0	N/A
Property Purchase for Porter Street extension	Street	\$218,400	\$0	\$0	N/A
Local Street Improvements - residential area	Streets	\$1,465,100	\$0	\$0	N/A
Water Line, 8" - residential area	Water	\$523,250	\$0	\$0	N/A
Sanitary Sewer, 8" - residential area	Sanitary Sewer	\$470,925	\$0	\$0	N/A
Storm Drain, 12" - residential area	Storm Drainage	\$470,925	\$0	\$0	N/A
Dewey Street - Primrose to Hwy 20	Street	\$357,500	\$0	\$0	N/A
Subtotal		\$6,984,575	\$0	\$0	
Administration and Finance Fees	Admin	\$1,934,160	\$1,934,160	\$2,565,006	Ongoing

Source: Compiled by Tiberius Solutions LLC with input from City of Lebanon.

VI. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

The schedule for construction of infrastructure projects will be based on the availability of funding and the specific infrastructure needs from proposed new development. The projects will be ongoing and will be completed as directed by the Agency.

The Area is anticipated to complete all projects identified in Phases 1 and 2 on or before FYE 2036 and have sufficient tax increment finance revenue to terminate the district in FYE 2036. Projects identified in Phase 3 are estimated to exceed the capacity of the Area's maximum indebtedness and will need to be funded with other sources, or through reallocation of funds from projects identified in Phases 1 and 2. Changes in market conditions could affect the assumed development schedule.

Anticipated project completion dates are shown in Table 11. The Agency may change the completion dates in their annual budgeting process or as project decisions are made in administering the urban renewal plan.

Table 11 – Projects and Costs in Year of Expenditure Dollars

<i>PROJECT FUND</i>	<i>2016-17</i>	<i>2017-18</i>	<i>2018-19</i>	<i>2019-20</i>	<i>2020-21</i>	<i>2021-22</i>	
Resources							
Beginning Fund Balance		\$354,613	\$486,485	\$549,629	\$656,795	\$94,941	\$288,533
Transfer from Debt Service Fund (TIF)	\$43,989,328	\$536,446	\$153,412	\$199,918	\$243,162	\$294,417	\$233,590
Bond/Loan Proceeds	\$6,837,259	\$3,867,259	\$0	\$0	\$0	\$0	\$1,120,000
Interest Earnings	\$1,947,409	\$1,773	\$2,432	\$2,748	\$3,284	\$475	\$1,443
Total Resources	\$52,773,996	\$4,760,091	\$642,329	\$752,295	\$903,241	\$389,833	\$1,643,566
Expenditures (nominal \$)							
Porter Park	-\$650,000	-\$650,000					
Russel Drive - Primrose Street to Porter Street	-\$1,301,000	-\$1,301,000					
Airport Road - Hwy 20 to Russel Drive	-\$2,145,300	-\$2,145,300					
Water Line (Weirich) - Hwy 20 to City limits	-\$710,000				-\$710,000		
Water Treatment Plant	-\$1,507,100						-\$1,507,100
Porter Street - Russell Drive to Center Street	-\$2,234,100						
Local Street Improvements in residential area	-\$2,726,600						
Water Line - residential area	-\$724,600						
Sanitary Sewer - residential area	-\$902,700						
Storm Drain - residential area	-\$221,098						
Porter Street - Center Street to Burdell Blvd	\$0						
Property Purchase for Porter Street extension	\$0						
Local Street Improvements - residential area	\$0						
Water Line - residential area	\$0						
Sanitary Sewer - residential area	\$0						
Storm Drain - residential area	\$0						
Dewey Street - Primrose to Hwy 20	\$0						
Administration	-\$2,418,300	-\$90,000	-\$92,700	-\$95,500	-\$98,300	-\$101,300	-\$104,300
Finance Fees	-\$146,706	-\$87,306					-\$22,400
Total Expenditures	-\$15,687,504	-\$4,273,606	-\$92,700	-\$95,500	-\$808,300	-\$101,300	-\$1,633,800
Ending Fund Balance		\$486,485	\$549,629	\$656,795	\$94,941	\$288,533	\$9,766

Source: Tiberius Solutions LLC

Table 11 – Projects and Costs in Year of Expenditure Dollars, page 2

<i>PROJECT FUND</i>	<i>2022-23</i>	<i>2023-24</i>	<i>2024-25</i>	<i>2025-26</i>	<i>2026-27</i>	<i>2027-28</i>	<i>2028-29</i>
<i>Resources</i>							
Beginning Fund Balance	\$9,766	\$192,707	\$433,641	\$11,577	\$376,280	\$150,030	\$348,543
Transfer from Debt Service Fund (TIF)	\$290,392	\$350,670	\$414,368	\$482,045	\$313,969	\$322,363	\$397,621
Bond/Loan Proceeds	\$0	\$0	\$0	\$0	\$1,850,000	\$0	\$0
Interest Earnings	\$49	\$964	\$2,168	\$58	\$1,881	\$750	\$1,743
Total Resources	\$300,207	\$544,341	\$850,177	\$493,680	\$2,542,130	\$473,143	\$747,907
<i>Expenditures (nominal \$)</i>							
Porter Park							
Russel Drive - Primrose Street to Porter Street							
Airport Road - Hwy 20 to Russel Drive							
Water Line (Weirich) - Hwy 20 to City limits							
Water Treatment Plant							
Porter Street - Russell Drive to Center Street					-\$2,234,100		
Local Street Improvements in residential area							
Water Line - residential area			-\$724,600				
Sanitary Sewer - residential area							
Storm Drain - residential area							
Porter Street - Center Street to Burdell Blvd							
Property Purchase for Porter Street extension							
Local Street Improvements - residential area							
Water Line - residential area							
Sanitary Sewer - residential area							
Storm Drain - residential area							
Dewey Street - Primrose to Hwy 20							
Administration	-\$107,500	-\$110,700	-\$114,000	-\$117,400	-\$121,000	-\$124,600	-\$128,300
Finance Fees					-\$37,000		
Total Expenditures	-\$107,500	-\$110,700	-\$838,600	-\$117,400	-\$2,392,100	-\$124,600	-\$128,300

Source: Tiberius Solutions LLC

Table 11 – Projects and Costs in Year of Expenditure Dollars, page 3

PROJECT FUND	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36
Resources							
Beginning Fund Balance	\$619,607	\$967,844	\$1,247,468	\$1,602,919	\$2,039,188	\$2,561,473	\$448,899
Transfer from Debt Service Fund (TIF)	\$477,339	\$410,885	\$489,414	\$572,654	\$660,889	\$754,419	\$830,455
Bond/Loan Proceeds	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest Earnings	\$3,098	\$4,839	\$6,237	\$8,015	\$10,196	\$12,807	\$2,244
Total Resources	\$1,100,044	\$1,383,568	\$1,743,119	\$2,183,588	\$2,710,273	\$3,328,699	\$1,281,598
Expenditures (nominal \$)							
Porter Park							
Russel Drive - Primrose Street to Porter Street							
Airport Road - Hwy 20 to Russel Drive							
Water Line (Weirich) - Hwy 20 to City limits							
Water Treatment Plant							
Porter Street - Russell Drive to Center Street							
Local Street Improvements in residential area						-\$2,726,600	
Water Line - residential area							
Sanitary Sewer - residential area							-\$902,700
Storm Drain - residential area							-\$221,098
Porter Street - Center Street to Burdell Blvd							
Property Purchase for Porter Street extension							
Local Street Improvements - residential area							
Water Line - residential area							
Sanitary Sewer - residential area							
Storm Drain - residential area							
Dewey Street - Primrose to Hwy 20							
Administration	-\$132,200	-\$136,100	-\$140,200	-\$144,400	-\$148,800	-\$153,200	-\$157,800
Finance Fees							
Total Expenditures	-\$132,200	-\$136,100	-\$140,200	-\$144,400	-\$148,800	-\$2,879,800	-\$1,281,598
Ending Fund Balance	\$967,844	\$1,247,468	\$1,602,919	\$2,039,188	\$2,561,473	\$448,899	\$0

Source: Tiberius Solutions LLC

VII. THE ESTIMATED AMOUNT OF TAX INCREMENT REVENUES REQUIRED AND THE ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED

Table 12 shows the allocation of tax increment revenues to debt service.

It is anticipated that the Agency will have sufficient resources to retire all debt by FYE 2036, which would then allow the Agency to cease collecting tax increment revenues and close down the Area. The time frame for retiring all debt for the Area is not absolute; it may vary depending on the actual terms of the indebtedness incurred, and the actual tax increment revenues received. If the economy is slower, it may take longer to repay all debt; if the economy is more robust than the projections, it may take a shorter time period.

The maximum indebtedness of the Plan is \$18,252,144 (eighteen million two hundred fifty two thousand one hundred forty four dollars) and is not proposed to be changed due to this Amendment.

The estimated total amount of future tax increment revenues required to service the remaining maximum indebtedness is \$17,603,040 and includes both tax increment revenues from permanent rate levies and division of tax revenues from general obligation bonds.

Information on scheduled debt service payments for the proposed FYE 2017 loan was provided by the City of Lebanon Finance Department. Additionally, projections estimate the Agency will undertake two additional loans in future years to finance the costs of projects identified in the Plan. For speculative future borrowings, the amounts, timing, and terms of the debt are unknown. The assumptions used in this Report are for planning purposes only, and subject to change based on market conditions. These assumptions were developed by Tiberius Solutions LLC and informed by conversations with staff from the City of Lebanon Finance Department. Specific key assumptions for the financial analysis include:

- New Loan FYE 2017: Assumes a principal amount of \$3,867,259 with a 3.38% interest rate and 19-year term, level annual debt service payments and no prepayment penalties.
- New Loan FYE 2022: Assumes a principal amount of \$1,120,000 with a 5% interest rate and a 15-year term, level annual debt service payments and no prepayment penalties.
- New Loan FYE 2027: Assumes a principal amount of \$1,850,000 with a 5% interest rate and a 10-year term, level annual debt service payments and no prepayment penalties.

The assumptions used in this analysis present just one potential scenario for the long-term cash flow of the Area. If actual results differ from these assumptions, it could affect the ability of the Agency to achieve these projects at these dollar amounts on this schedule. Based on these assumptions, we find the Plan Amendment financially feasible.

Table 12 – Tax Increment Revenues and Allocations to Debt Service

	Total	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
DEBT SERVICE FUND							
Resources							
Beginning Fund Balance		\$143,651	\$0	\$0	\$0	\$0	\$0
TIF for URA	\$59,417,860	\$392,795	\$432,564	\$479,070	\$522,314	\$573,569	\$620,645
Total Resources	\$59,561,511	\$536,446	\$432,564	\$479,070	\$522,314	\$573,569	\$620,645
Expenditures							
<i>Debt Service</i>							
New Loan 2017	-\$5,303,888		-\$279,152	-\$279,152	-\$279,152	-\$279,152	-\$279,152
New Loan 2022	-\$1,618,545						-\$107,903
New Loan 2027	-\$2,395,830						
Total Debt Service	-\$9,318,263	\$0	-\$279,152	-\$279,152	-\$279,152	-\$279,152	-\$387,055
Coverage Ratio		\$0	\$2	\$2	\$2	\$2	\$2
<i>Transfer to Project Fund</i>	-\$50,243,248	-\$536,446	-\$153,412	-\$199,918	-\$243,162	-\$294,417	-\$233,590
Total Expenditures	-\$59,561,511	-\$536,446	-\$432,564	-\$479,070	-\$522,314	-\$573,569	-\$620,645
Ending Fund Balance		\$0	\$0	\$0	\$0	\$0	\$0
Cumulative D/S Remaining		-\$9,318,263	-\$9,039,111	-\$8,759,959	-\$8,480,807	-\$8,201,655	-\$7,814,600
TIF Sufficient to Pay Off D/S		NO	NO	NO	NO	NO	NO

Source: Tiberius Solutions LLC

Table 12 – Tax Increment Revenues and Allocations to Debt Service, page 2

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
DEBT SERVICE FUND							
Resources							
Beginning Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TIF for URA	\$677,447	\$737,725	\$801,423	\$869,100	\$940,607	\$949,001	\$1,024,259
Total Resources	\$677,447	\$737,725	\$801,423	\$869,100	\$940,607	\$949,001	\$1,024,259
Expenditures							
<i>Debt Service</i>							
New Loan 2017	-\$279,152	-\$279,152	-\$279,152	-\$279,152	-\$279,152	-\$279,152	-\$279,152
New Loan 2022	-\$107,903	-\$107,903	-\$107,903	-\$107,903	-\$107,903	-\$107,903	-\$107,903
New Loan 2027					-\$239,583	-\$239,583	-\$239,583
Total Debt Service	-\$387,055	-\$387,055	-\$387,055	-\$387,055	-\$626,638	-\$626,638	-\$626,638
Coverage Ratio	\$2	\$2	\$2	\$2	\$2	\$2	\$2
<i>Transfer to Project Fund</i>	-\$290,392	-\$350,670	-\$414,368	-\$482,045	-\$313,969	-\$322,363	-\$397,621
Total Expenditures	-\$677,447	-\$737,725	-\$801,423	-\$869,100	-\$940,607	-\$949,001	-\$1,024,259
Ending Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cumulative D/S Remaining	-\$7,427,545	-\$7,040,490	-\$6,653,435	-\$6,266,380	-\$5,639,742	-\$5,013,104	-\$4,386,466
TIF Sufficient to Pay Off D/S	NO	NO	NO	NO	NO	NO	NO

Source: Tiberius Solutions LLC

Table 12 – Tax Increment Revenues and Allocations to Debt Service, page 3

	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36
DEBT SERVICE FUND							
Resources							
Beginning Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TIF for URA	\$1,103,977	\$1,037,523	\$1,116,052	\$1,199,292	\$1,287,527	\$1,381,057	\$1,457,093
Total Resources	\$1,103,977	\$1,037,523	\$1,116,052	\$1,199,292	\$1,287,527	\$1,381,057	\$1,457,093
Expenditures							
<i>Debt Service</i>							
New Loan 2017	-\$279,152	-\$279,152	-\$279,152	-\$279,152	-\$279,152	-\$279,152	-\$279,152
New Loan 2022	-\$107,903	-\$107,903	-\$107,903	-\$107,903	-\$107,903	-\$107,903	-\$107,903
New Loan 2027	-\$239,583	-\$239,583	-\$239,583	-\$239,583	-\$239,583	-\$239,583	-\$239,583
Total Debt Service	-\$626,638	-\$626,638	-\$626,638	-\$626,638	-\$626,638	-\$626,638	-\$626,638
Coverage Ratio	\$2	\$2	\$2	\$2	\$2	\$2	\$2
<i>Transfer to Project Fund</i>	-\$477,339	-\$410,885	-\$489,414	-\$572,654	-\$660,889	-\$754,419	-\$830,455
Total Expenditures	-\$1,103,977	-\$1,037,523	-\$1,116,052	-\$1,199,292	-\$1,287,527	-\$1,381,057	-\$1,457,093
Ending Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cumulative D/S Remaining	-\$3,759,828	-\$3,133,190	-\$2,506,552	-\$1,879,914	-\$1,253,276	-\$626,638	\$0
TIF Sufficient to Pay Off D/S	NO	NO	NO	NO	NO	NO	YES

Source: Tiberius Solutions LLC

VIII. FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues through FYE 2036 as shown above, are based on projections of the assessed value of development within the Area and the total tax rate that will apply in the Area. The analysis assumes average annual growth in assessed value of 6.0% for real property, and 0% for personal, utility, and manufactured property. There is substantial acreage in the Area that is undeveloped where the full future development value will add to the incremental assessed value of the Area. These growth rates assume both the appreciation of existing property values and new construction activity in the Area.

Table 13 shows the projected incremental assessed value, tax rates and tax increment revenues, and the annual tax increment revenues (adjusted for discounts, delinquencies and compression losses). These projections of increment are the basis for the projections in Tables 11 and 12. The first year the impact of the Amendment would be reflected in the calculation of tax increment revenues is FYE 2019, with an increase in the frozen base value, as well as a corresponding increase in total assessed value of the Area.

Gross TIF is calculated by multiplying the tax rate times the excess value. The tax rate is stated per thousand dollars of assessed value, so the calculation is “tax rate times excess value divided by one thousand”. The consolidated tax rate includes all permanent rates and general obligation bonds rates. Currently four jurisdictions levy general obligation bond rates in the Area: the City of Lebanon, Lebanon Fire District, Linn Benton Community College, and the Lebanon Community School District. The tax rate decreases at different points in the forecast, due to the scheduled expiration of specific general obligation bonds.

Table 13 – Projected Incremental Assessed Value, Tax Rates, and Tax Increment Revenues

FYE	Assessed				Tax Increment Finance Revenue			Cumulative TIF
	Value	Frozen Base	Excess Value	Tax Rate	Gross TIF	Adjustments	Net TIF	
2016	\$38,999,093	\$18,643,396	\$20,355,697	18.2417	\$371,322	(\$16,709)	\$354,613	\$354,613
2017	\$41,339,038	\$18,643,396	\$22,695,642	18.1226	\$411,303	(\$18,508)	\$392,795	\$747,408
2018	\$43,819,380	\$18,643,396	\$25,175,984	17.9912	\$452,946	(\$20,382)	\$432,564	\$1,179,972
2019	\$50,448,008	\$22,413,275	\$28,034,733	17.8937	\$501,644	(\$22,574)	\$479,070	\$1,659,042
2020	\$53,474,889	\$22,413,275	\$31,061,614	17.6078	\$546,926	(\$24,612)	\$522,314	\$2,181,356
2021	\$56,683,382	\$22,413,275	\$34,270,107	17.5254	\$600,596	(\$27,027)	\$573,569	\$2,754,925
2022	\$60,084,385	\$22,413,275	\$37,671,110	17.2517	\$649,890	(\$29,245)	\$620,645	\$3,375,570
2023	\$63,689,448	\$22,413,275	\$41,276,173	17.1859	\$709,369	(\$31,922)	\$677,447	\$4,053,017
2024	\$67,510,815	\$22,413,275	\$45,097,540	17.1292	\$772,486	(\$34,761)	\$737,725	\$4,790,742
2025	\$71,561,464	\$22,413,275	\$49,148,189	17.0746	\$839,186	(\$37,763)	\$801,423	\$5,592,165
2026	\$75,855,152	\$22,413,275	\$53,441,877	17.0288	\$910,052	(\$40,952)	\$869,100	\$6,461,265
2027	\$80,406,461	\$22,413,275	\$57,993,186	16.9835	\$984,929	(\$44,322)	\$940,607	\$7,401,872
2028	\$85,230,848	\$22,413,275	\$62,817,573	15.8191	\$993,718	(\$44,717)	\$949,001	\$8,350,873
2029	\$90,344,699	\$22,413,275	\$67,931,424	15.7883	\$1,072,522	(\$48,263)	\$1,024,259	\$9,375,132
2030	\$95,765,381	\$22,413,275	\$73,352,106	15.7595	\$1,155,996	(\$52,019)	\$1,103,977	\$10,479,109
2031	\$101,511,304	\$22,413,275	\$79,098,029	13.7350	\$1,086,411	(\$48,888)	\$1,037,523	\$11,516,632
2032	\$107,601,982	\$22,413,275	\$85,188,707	13.7183	\$1,168,641	(\$52,589)	\$1,116,052	\$12,632,684
2033	\$114,058,101	\$22,413,275	\$91,644,826	13.7029	\$1,255,804	(\$56,512)	\$1,199,292	\$13,831,976
2034	\$120,901,587	\$22,413,275	\$98,488,312	13.6889	\$1,348,196	(\$60,669)	\$1,287,527	\$15,119,503
2035	\$128,155,682	\$22,413,275	\$105,742,407	13.6760	\$1,446,133	(\$65,076)	\$1,381,057	\$16,500,560
2036	\$135,845,023	\$22,413,275	\$113,431,748	13.6641	\$1,549,944	(\$69,748)	\$1,480,196	\$17,980,756

Source: Tiberius Solutions LLC

Notes:

TIF is tax increment revenues

Tax rates are expressed in terms of dollars per \$1,000 of assessed value.

Changes in total tax rates are due to general obligation bonds with variable rates.

IX. IMPACT OF THE TAX INCREMENT FINANCING

This section describes the impact of tax increment financing of the new maximum indebtedness, both until and after the indebtedness is repaid, upon all entities levying taxes upon property in the urban renewal area. If not for this Amendment, the Plan would expire in October of 2018. Therefore, the impacts show both the impacts of adding new property which are minor, but also the impacts of extending the duration, taking tax increment proceeds through FYE 3036, an additional 18 years. This date is not a new duration provision in the Plan, but is the date that we anticipate the Area could reach its maximum indebtedness based on the financial projections.

The impact of tax increment financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the Area. These projections are for impacts estimated through FYE 2036, and are shown in Tables 14a and b and 15a and b. Tables 14a and b show the impact of the Amendment on both adding property and extending the duration. Tables 15a and b show the impact of the added properties only.

The Lebanon Community School District and the Linn Benton Education Service District are not *directly* affected by the tax increment financing, but the amounts of their taxes divided

for the urban renewal plan are shown in the following tables. Under current school funding law, property tax revenues are combined with State School Fund revenues to achieve per-student funding targets. Under this system, property taxes foregone, due to the use of tax increment financing, are substantially replaced with State School Fund revenues, as determined by a funding formula at the State level.

Tables 14a and b and 15a and b show the projected impacts to permanent rate levies of taxing districts as a result of this Plan. It assumes the growth as projected in Table 13 in this Report.

Table 14a – Projected Impact on Taxing District Permanent Rate Levies of All Properties in the Area - General Government

FYE	General Government							Subtotal
	County	City of	Lebanon	Lebanon	4H			
	Linn County	Local	Lebanon	RFD	Aquatic	Extension		
Perm	Option II	Perm	Perm	Perm	Perm	Perm		
	LOL							
2019	(\$34,098)	(\$5,087)	(\$120,978)	(\$60,507)	(\$6,426)	(\$1,874)	(\$228,970)	
2020	(\$37,780)	\$0	(\$132,130)	(\$67,040)	(\$7,119)	(\$2,077)	(\$246,146)	
2021	(\$41,683)	\$0	(\$143,952)	(\$73,965)	(\$7,855)	(\$2,291)	(\$269,746)	
2022	(\$45,819)	\$0	(\$156,482)	(\$81,306)	(\$8,635)	(\$2,519)	(\$294,761)	
2023	(\$50,204)	\$0	(\$169,764)	(\$89,087)	(\$9,460)	(\$2,760)	(\$321,275)	
2024	(\$54,852)	\$0	(\$183,843)	(\$97,335)	(\$10,336)	(\$3,014)	(\$349,380)	
2025	(\$59,778)	\$0	(\$198,767)	(\$106,077)	(\$11,264)	(\$3,286)	(\$379,172)	
2026	(\$65,001)	\$0	(\$214,586)	(\$115,343)	(\$12,249)	(\$3,572)	(\$410,751)	
2027	(\$70,537)	\$0	(\$231,355)	(\$125,166)	(\$13,292)	(\$3,877)	(\$444,227)	
2028	(\$76,404)	\$0	(\$249,129)	(\$135,579)	(\$14,398)	(\$4,199)	(\$479,709)	
2029	(\$82,624)	\$0	(\$267,971)	(\$146,616)	(\$15,570)	(\$4,541)	(\$517,322)	
2030	(\$89,218)	\$0	(\$287,942)	(\$158,316)	(\$16,812)	(\$4,903)	(\$557,191)	
2031	(\$96,206)	\$0	(\$309,112)	(\$170,717)	(\$18,129)	(\$5,288)	(\$599,452)	
2032	(\$103,614)	\$0	(\$331,552)	(\$183,863)	(\$19,525)	(\$5,694)	(\$644,248)	
2033	(\$111,466)	\$0	(\$355,338)	(\$197,797)	(\$21,005)	(\$6,127)	(\$691,733)	
2034	(\$119,790)	\$0	(\$380,552)	(\$212,568)	(\$22,573)	(\$6,584)	(\$742,067)	
2035	(\$128,613)	\$0	(\$407,278)	(\$228,224)	(\$24,236)	(\$7,068)	(\$795,419)	
2036	(\$135,813)	\$0	(\$428,809)	(\$240,998)	(\$25,593)	(\$7,465)	(\$838,678)	
Total	(\$1,403,500)	(\$5,087)	(\$4,569,540)	(\$2,490,504)	(\$264,477)	(\$77,139)	(\$8,810,247)	

Source: Tiberius Solutions LLC

Table 14b – Projected Impact on Taxing District Permanent Rate Levies – All Properties in the Area – Education

Education					
FYE	Linn Benton ESD	LBCC Perm	LEB Comm SD #9	Subtotal	Total
	Perm		Perm		
2019	(\$8,163)	(\$13,437)	(\$133,665)	(\$155,265)	(\$384,235)
2020	(\$9,044)	(\$14,888)	(\$148,097)	(\$172,029)	(\$418,175)
2021	(\$9,979)	(\$16,426)	(\$163,394)	(\$189,799)	(\$459,545)
2022	(\$10,969)	(\$18,057)	(\$179,610)	(\$208,636)	(\$503,397)
2023	(\$12,018)	(\$19,784)	(\$196,798)	(\$228,600)	(\$549,875)
2024	(\$13,131)	(\$21,616)	(\$215,018)	(\$249,765)	(\$599,145)
2025	(\$14,311)	(\$23,557)	(\$234,330)	(\$272,198)	(\$651,370)
2026	(\$15,561)	(\$25,615)	(\$254,803)	(\$295,979)	(\$706,730)
2027	(\$16,886)	(\$27,797)	(\$276,502)	(\$321,185)	(\$765,412)
2028	(\$18,291)	(\$30,110)	(\$299,505)	(\$347,906)	(\$827,615)
2029	(\$19,780)	(\$32,561)	(\$323,886)	(\$376,227)	(\$893,549)
2030	(\$21,358)	(\$35,159)	(\$349,731)	(\$406,248)	(\$963,439)
2031	(\$23,032)	(\$37,913)	(\$377,127)	(\$438,072)	(\$1,037,524)
2032	(\$24,805)	(\$40,832)	(\$406,166)	(\$471,803)	(\$1,116,051)
2033	(\$26,685)	(\$43,927)	(\$436,948)	(\$507,560)	(\$1,199,293)
2034	(\$28,678)	(\$47,207)	(\$469,576)	(\$545,461)	(\$1,287,528)
2035	(\$30,790)	(\$50,684)	(\$504,163)	(\$585,637)	(\$1,381,056)
2036	(\$32,513)	(\$53,521)	(\$532,382)	(\$618,416)	(\$1,457,094)
Total	(\$335,994)	(\$553,091)	(\$5,501,701)	(\$6,390,786)	(\$15,201,033)

Source: Tiberius Solutions LLC

Table 15a – Projected Impact on Taxing District Permanent Rate Levies of Amendment Properties in the Area - General Government

General Government							
FYE	Linn County Perm	Linn County Local Option II LOL	City of Lebanon Perm	Lebanon RFD Perm	Lebanon Aquatic Perm	4H Extension Perm	Subtotal
2019	(\$279)	(\$42)	(\$1,126)	(\$495)	(\$53)	(\$16)	(\$2,011)
2020	(\$572)	\$0	(\$2,303)	(\$1,013)	(\$108)	(\$32)	(\$4,028)
2021	(\$881)	\$0	(\$3,552)	(\$1,562)	(\$166)	(\$49)	(\$6,210)
2022	(\$1,209)	\$0	(\$4,873)	(\$2,145)	(\$228)	(\$67)	(\$8,522)
2023	(\$1,556)	\$0	(\$6,275)	(\$2,761)	(\$293)	(\$86)	(\$10,971)
2024	(\$1,925)	\$0	(\$7,761)	(\$3,416)	(\$363)	(\$105)	(\$13,570)
2025	(\$2,315)	\$0	(\$9,337)	(\$4,108)	(\$436)	(\$127)	(\$16,323)
2026	(\$2,729)	\$0	(\$11,006)	(\$4,843)	(\$515)	(\$150)	(\$19,243)
2027	(\$3,168)	\$0	(\$12,777)	(\$5,621)	(\$597)	(\$174)	(\$22,337)
2028	(\$3,633)	\$0	(\$14,652)	(\$6,447)	(\$685)	(\$199)	(\$25,616)
2029	(\$4,126)	\$0	(\$16,642)	(\$7,322)	(\$778)	(\$227)	(\$29,095)
2030	(\$4,649)	\$0	(\$18,749)	(\$8,250)	(\$876)	(\$255)	(\$32,779)
2031	(\$5,203)	\$0	(\$20,984)	(\$9,233)	(\$980)	(\$286)	(\$36,686)
2032	(\$5,790)	\$0	(\$23,353)	(\$10,275)	(\$1,091)	(\$318)	(\$40,827)
2033	(\$6,413)	\$0	(\$25,863)	(\$11,380)	(\$1,208)	(\$353)	(\$45,217)
2034	(\$7,073)	\$0	(\$28,525)	(\$12,551)	(\$1,332)	(\$388)	(\$49,869)
2035	(\$7,772)	\$0	(\$31,346)	(\$13,792)	(\$1,464)	(\$427)	(\$54,801)
2036	(\$8,526)	\$0	(\$34,248)	(\$15,127)	(\$1,607)	(\$469)	(\$59,977)
Total	(\$67,819)	(\$42)	(\$273,372)	(\$120,341)	(\$12,780)	(\$3,728)	(\$478,082)

Source: Tiberius Solutions LLC. Please refer to the explanation of the schools funding in the preceding section

Table 15b - Projected Impact on Taxing District Permanent Rate Levies of Added Properties Only - Education

Education					
FYE	Linn Benton	LBCC	LEB Comm SD	Subtotal	Total
	ESD		#9		
	Perm	Perm	Perm		
2019	(\$66)	(\$110)	(\$1,094)	(\$1,270)	(\$3,281)
2020	(\$136)	(\$225)	(\$2,239)	(\$2,600)	(\$6,628)
2021	(\$211)	(\$347)	(\$3,452)	(\$4,010)	(\$10,220)
2022	(\$289)	(\$477)	(\$4,737)	(\$5,503)	(\$14,025)
2023	(\$372)	(\$613)	(\$6,099)	(\$7,084)	(\$18,055)
2024	(\$461)	(\$758)	(\$7,544)	(\$8,763)	(\$22,333)
2025	(\$554)	(\$912)	(\$9,075)	(\$10,541)	(\$26,864)
2026	(\$653)	(\$1,075)	(\$10,699)	(\$12,427)	(\$31,670)
2027	(\$758)	(\$1,249)	(\$12,418)	(\$14,425)	(\$36,762)
2028	(\$869)	(\$1,432)	(\$14,242)	(\$16,543)	(\$42,159)
2029	(\$988)	(\$1,627)	(\$16,175)	(\$18,790)	(\$47,885)
2030	(\$1,113)	(\$1,832)	(\$18,224)	(\$21,169)	(\$53,948)
2031	(\$1,246)	(\$2,051)	(\$20,396)	(\$23,693)	(\$60,379)
2032	(\$1,386)	(\$2,282)	(\$22,698)	(\$26,366)	(\$67,193)
2033	(\$1,535)	(\$2,528)	(\$25,139)	(\$29,202)	(\$74,419)
2034	(\$1,693)	(\$2,787)	(\$27,725)	(\$32,205)	(\$82,074)
2035	(\$1,860)	(\$3,063)	(\$30,468)	(\$35,391)	(\$90,192)
2036	(\$2,041)	(\$3,360)	(\$33,419)	(\$38,820)	(\$98,797)
Total	(\$16,231)	(\$26,728)	(\$265,843)	(\$308,802)	(\$786,884)

Source: Tiberius Solutions LLC

General obligation bonds and local option levies are impacted by urban renewal in this Area. There are four general obligation bonds that will be impacted. For general obligation bonds, the impact is on the property owner, not on the taxing district. The assessor must assess a slightly higher rate to all properties in the taxing district to account for the division of taxes of the general obligation bond.

Table 16 shows the projected impact of the Amendment to the property owner as a result of the general obligation bonds. As a result of this Amendment, which extends the life of the Area until FYE 2036, a property owner with \$100,000 in assessed value will pay an additional \$79.63 over the extended life of the Area. The annual amount is shown in Table 16, and starts with FYE 2019, as the first year impacted by the Amendment. The annual impact is relatively small each year, under \$9.00 per year for a property with \$100,000 of assessed value.

Table 16 – Projected Impact on Property Tax Payers Due to General Obligation Bonds

FYE	GO Bond Tax Rate			Property Tax Paid per \$100,000 AV		
	Without UR	With UR	Impact of UR	Without UR	With UR	Impact of UR
	2019	3.6509	3.7110	0.0601	\$365.09	\$371.10
2020	3.6324	3.6962	0.0638	\$363.24	\$369.62	\$6.38
2021	3.6169	3.6845	0.0676	\$361.69	\$368.45	\$6.76
2022	3.4046	3.4727	0.0681	\$340.46	\$347.27	\$6.81
2023	3.3894	3.4612	0.0718	\$338.94	\$346.12	\$7.18
2024	3.3773	3.4529	0.0756	\$337.73	\$345.29	\$7.56
2025	3.3619	3.4411	0.0792	\$336.19	\$344.11	\$7.92
2026	3.3509	3.4340	0.0831	\$335.09	\$343.40	\$8.31
2027	3.3359	3.4228	0.0869	\$333.59	\$342.28	\$8.69
2028	1.9787	2.0234	0.0447	\$197.87	\$202.34	\$4.47
2029	1.9681	2.0148	0.0467	\$196.81	\$201.48	\$4.67
2030	1.9575	2.0062	0.0487	\$195.75	\$200.62	\$4.87
2031	0.0000	0.0000	0.0000	\$0.00	\$0.00	\$0.00
Total				\$3,702.45	\$3,782.08	\$79.63

Source: Tiberius Solutions LLC. Please refer to the explanation of the impacts of GO bonds in the preceding section

Table 17 shows the projected increased revenue to the taxing jurisdictions after tax increment proceeds are projected to be terminated. These projections are for FYE 2037.

Table 17 – Additional Revenues Obtained after Termination of Tax Increment Financing

Taxing District	Tax Rate	Tax Revenue in FYE 2037 (year after expiration)		
		From Frozen Base	From Excess Value	Total
General Government				
Linn County	1.2736	\$23,744	\$159,649	\$183,393
City of Lebanon	5.1364	\$48,582	\$506,942	\$555,524
Lebanon RFD	2.2600	\$42,134	\$283,296	\$325,430
Lebanon Aquatic	0.2400	\$4,474	\$30,085	\$34,559
4H Extension	0.0700	\$1,305	\$8,775	\$10,080
<i>Subtotal</i>	8.9800	\$120,239	\$988,747	\$1,108,986
Education				
Linn Benton ESD	0.3049	\$5,685	\$38,220	\$43,905
LBCC	0.5019	\$9,357	\$62,915	\$72,272
LEB Comm SD #9	4.9925	\$93,078	\$625,822	\$718,900
<i>Subtotal</i>	5.7993	\$108,120	\$726,957	\$835,077
Total	13.6532	\$228,359	\$1,715,704	\$1,944,063

Source: Tiberius Solutions LLC

X. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF URBAN RENEWAL AREA

State law limits the percentage of both a municipality’s total assessed value and the total land area that can be contained in an urban renewal area at the time of its establishment to 25% for municipalities under 50,000 in population. As noted below, the frozen base, including all real, personal, personal, manufactured, and utility properties in the Area, is projected to be \$22,642,861 once the Amendment properties are added in FYE 2019. The total assessed value of the City of Lebanon, **minus excess value** of the existing urban renewal areas is \$846,117,804. Excess value is the assessed value created above the frozen base in the urban renewal area. The total urban renewal assessed value is 4.94 % of the total assessed value of the City, minus excess value, below the 25% statutory limitation.

The Cheadle Lake Urban Renewal Area contains 297.6 acres, including right-of-way, and the City of Lebanon contains 4,611.62 acres. After accounting for the acreage in the other urban renewal areas, 23.17% of the City’s acreage is in an urban renewal area, below the 25% statutory limitation.

Table 18 – Urban Renewal Area Conformance with Assessed Value and Acreage Limits

Urban Renewal Area	Frozen Base/Assessed Value	Acres
Northwest Lebanon Urban Renewal Area	\$10,816,129	626.85
North Gateway Urban Renewal Area	\$8,365,939	144
Cheadle Lake	\$18,643,396	250.3
Cheadle Lake Amendment	\$3,999,465	47.3
Total Cheadle Lake	\$22,642,861	297.6
Total in Urban Renewal	\$41,824,929	1,068.45
City of Lebanon	\$1,058,790,662	4,611.62
Urban Renewal Excess Value	\$212,672,858	
City of Lebanon minus Urban Renewal Excess	\$846,117,804	
Percentage in Urban Renewal	4.94%	23.17%

Source: City of Lebanon, Linn County Assessor

XI. RELOCATION REPORT

There is no relocation report required for the Plan. No specific acquisitions that would result in relocation benefits have been identified, however, there are plans to acquire land for infrastructure which may trigger relocation benefits in the future in the Area.



**BEFORE THE LEBANON PLANNING COMMISSION
PLANNING FILE No. 16-10-56**

In the Matter of the)	
)	1. Modification to the
Application of)	Cheadle Lake URD
)	
City of Lebanon)	

ORDER OF DETERMINATION

I. NATURE OF THE APPLICATION

This matter comes before the Lebanon Planning Commission on the application of the City of Lebanon for the modification of the Cheadle Lake Urban Renewal District.

II. GENERAL INFORMATION

A. Site Location

The subject area includes land centered around the Russell Drive and adjacent to Cheadle Lake.

B. Site Development and Zoning

The subject area contains approximately 297.6 acres and includes land zoned for Mixed Use (Z-MU), Industrial (Z-IND), Highway Commercial (Z-CH) and Residential Mixed Density (Z-RM). Development ranges from vacant land as well property developed for uses consistent with the applicable zoning.

C. Proposal

The applicant is requesting a determination as whether proposed amendments to the Cheadle Lake Urban Renewal District are consistent with the City's Comprehensive Plan.

III. PUBLIC HEARING

A. Planning Commission Action

On November 16, 2016, the Planning Commission held a public hearing on this matter. At the hearing, Planning File 16-10-56 became part of the official record. The City provided notice of the hearing. No objection was raised as to jurisdiction, conflicts of interest, bias or to evidence or testimony presented at the hearing. At the conclusion of the hearing, the Planning Commission deliberated on the issue and found the proposed amendments to the Urban Renewal District were consistent with the City's Comprehensive Plan.

B. City Council Action

The City Council, acting as the Cheadle Lake Urban Renewal Agency, will review the Planning Commission's recommendation at a date and time certain.

IV. FINDINGS OF FACT-GENERAL

The Lebanon Planning Commission, after careful consideration of the testimony and evidence in the record, adopts the following General Findings of Fact:

- A. The applicant is the City of Lebanon.
- B. The subject area includes land centered around the Russell Drive neighborhood and adjacent to Cheadle Lake.
- C. The subject area contains approximately 297.6 acres.
- D. This area includes vacant land as well property developed for uses consistent with the applicable zoning.
- E. The subject area includes land zoned for Mixed Use (Z-MU), Industrial (Z-IND), Highway Commercial (Z-CH) and Residential Mixed Density (Z-RM).
- F. A request by the City to determine whether proposed amendments to the Cheadle Lake Urban Renewal District are consistent with the City's Comprehensive Plan.
- G. The Planning Commission will base its recommendation on conformance of the proposed modifications with applicable provisions in the Lebanon Comprehensive Plan.

V. REQUEST AND DETERMINATION

- A. The City wishes to amend the Cheadle Lake URD as follows:

1. Expansion – The existing District boundaries will be expanded to include some 47.3-acres of Industrial zoned property located to the west/northwest of Cheadle Lake. This includes the old Champion Mill property as well as the future water treatment plant site.
2. Projects – The project list will be modified. Specific projects proposed in this Plan are outlined in Sections III, C of the Proposed Plan Amendment and include the development of Porter Park, constructing streets including Russel Drive and Airport Road, installation of water lines on Weirich Drive, contributing to the construction of a new water treatment plant, local residential street improvements, local waterline, residential sanitary sewer, and storm drain installations.
3. Time Extension – The existing District is slated to sunset in 2018. The new sunset date will be 2036. This provides ample time to obtain necessary funding and complete the projects.

In spite of these modifications, there is no increase in the maximum indebtedness incurred by the District.

- B. In addition to coordination with affected taxing districts (Linn County, Aquatic, School, Fire) the amendment process requires the Commission to review the amendments and determine whether the proposed land use activities are consistent with the Comprehensive Plan. The final decision regarding the amendments – including the expansion and new sunset date – is left to the City Council acting as the Cheadle Lake Urban Renewal Agency.
- C. Attached to this Order are documents prepared by the City’s urban renewal consultant. They include: (1) an assessment of the amendments conformance with the City Comprehensive Plan; (2) a draft copy of the URD amendment report; and, (3) a draft copy of the proposed amendments. The mapped area is included in the Comprehensive Plan assessment.
- D. Regarding the Comprehensive Plan assessment, the Commission concurs with the consultant’s assessment, adding that the URD can provided valuable assistance in developing the Industrial zoned property. Therefore, based on the submitted material, the Planning Commission finds the proposed amendments are consistent with the City’s Comprehensive Plan policies.

VI. ORDER OF DETERMINATION

The Lebanon Planning Commission finds the proposed amendments to the Cheadle Lake Urban Renewal District are consistent with the City of Lebanon Comprehensive Plan.

VII. APPEAL DATES

This Order of Determination Any appears as a matter of record only. The Cheadle Lake Urban Renewal Agency will review the determination at a date and time certain.

APPROVED BY A 7-0 VOTE OF THE LEBANON PLANNING COMMISSION ON THE 16th DAY OF NOVEMBER 2016.

DATED at Lebanon, Oregon, this 16th day of November, 2016.

SIGNED:



✓ Jeremy Salvage, Planning Commission Chair
Don Robertson, Planning Commission Vice-Chair

ATTEST:



Walt Wendolowski, AICP
Community Development Director

Attachments:

- (1) Assessment as to Conformance with City Comprehensive Plan
- (2) Cheadle Lake URD Amendment Report (Draft)
- (3) Proposed Amendments to Cheadle Lake URD (Draft)

City Council Notice:

The Lebanon City Council will hold a public hearing to consider adoption of an ordinance to amend the Cheadle Lake Urban Renewal Plan.

**WHERE: Santiam Travel Station, 750 Third Street
Lebanon, Oregon 97355**

WHEN: Wednesday, December 14, 2016 at 6:00 p.m.

A copy of the ordinance, the amendment to the Cheadle Lake Urban Renewal Plan, and accompanying report may be obtained by contacting:

Walt Wendolowski, Community Development Director at 541-258-4906
925 S Main Street, Lebanon, Oregon wwendolowski@ci.lebanon.or.us.

Property and projects are proposed to be added to the urban renewal area. The current maximum indebtedness of the Cheadle Lake Renewal Area is \$18,252,144 and is **not being changed**. The ordinance, if approved, is subject to referendum. Under the current urban renewal statutes, **no increase in permanent tax rates is anticipated from adoption of this plan**, the estimated increase in general obligation bond rates is a **total** of \$79.63 for a property valued at \$100,000, spread over the eighteen-year life of the plan.

END OF NOTICE

Please check time for your CC meeting, I have highlighted that above.

Per ORS 457.120 the CC notice must be mailed to one of the following groups:

- 1. Owners of real property that is located in the municipality*
- 2. Electors registered in the municipality*
- 3. Sewer, water electric or other utility customers in the municipality*
- 4. Postal patrons in the municipality*

It also must be sent to all property owners within the urban renewal area who are in unincorporated areas. If they already receive the utility notice, that is sufficient, you do not need to duplicate.

*There is no stipulated time line for mailing the City Council notice, but we recommend using the same time line your Planning Department uses for land use actions. Although it is not required, we recommend the notice be placed on your website. **Keep track of your notices and the documentation on the mailings in your official file.***

Agenda Item 2



December 2, 2016

Gary Marks
Lebanon City Manager
725 Main St.
Lebanon, OR 97355

Gary,

Enclosed are proposed amendments to the Republic Services rate sheets. These are not rate increases, but more housekeeping from our end. We are cleaning up all of our rate sheets with all jurisdictions to make them more consistent across the board. Most of the rates on this list are rates that the majority of our customers will never see or be charged and some are simply a change in what we call a current rate.

These rates are proposed to be effective January 1, 2107. If you would like to have us attend a council meeting prior to that to explain or answer questions, we would be happy to do that.

Regards,

A handwritten signature in blue ink, appearing to read "Julie Jackson".

Julie Jackson
Republic Services Municipal Manager
541-286-3313
ljackson6@republicservices.com

ATTACHMENT C: Proposed Rate Amendments for the City of Lebanon

Effective 1/1/2017

Residential Rate

ADD:

Cart Delivery/Re-delivery/Recovery	\$30.00 (per set)
Return Trip (in area on service day)	\$25.07

Customer cart not out when driver comes by and wants RS to come back after neighborhood has been serviced. May also put out extra bags the next week at no additional charge.

Dead Large Animal	\$115.42
-------------------	----------

CHANGE:

Off Route to Extra Lift (new title, no rate change) Hourly Truck Rate	
All Furniture now one rate (previous rates averaged)	\$31.94
Appliances with Freon	\$34.17 Averaged to one rate
Appliances without Freon	\$26.85 Averaged to one rate
Mattresses	\$26.50 Averaged to one rate
Up the Drive to Drive Up (new title, no rate change)	

Commercial Rate

ADD:

Commercial Container Delivery	\$30.00
Container Replacement	\$480.00
Container Recovery	\$57.54

CHANGE:

Wash Fee to Container Exchange (new title, no rate change)
 Off Day to Relocate (new title, no rate change)
 Remove to Relocate (new title, no rate change)
 Return Trip to Dry Run (new title, no rate change)
 Bulk Pick up rates: same as residential

Industrial Rate

ADD:

Container Recovery	\$4,000.00
Dry Run	\$48.35

CHANGE:

Industrial Cleaning to Container Exchange (new title, no rate change)
 Container Blocked to Return Trip (new title, no rate change)

ADDITIONAL EXPLANATIONS:

Disposal costs are considered pass through on Industrial boxes. These rates are determined by entities other than Republic Services of Albany. Pass through rates include disposal at Coffin Butte Landfill, Environmental Fees, Concrete Disposal, Glass 2 Glass, etc.

Agenda Item 3



925 S. Main Street
Lebanon, Oregon 97355

TEL: 541.258.4918
www.ci.lebanon.or.us

MEMORANDUM

Engineering Services

To: Mayor Aziz and City Council
From: Ron Whitlatch, Engineering Services Director
Subject: Right of Way Purchase For Future Roadway Improvements
Crowfoot Road and Cascade Drive

Date: January 4, 2017

RECOMMENDATION:

Staff is recommending that City Council approve the attached Right of Way dedication for future roadway and utility improvements.

BACKGROUND:

Representatives from the Lebanon School district approached City Staff several months ago about purchasing surplus property on the Seven Oak Middle School site adjacent to the Crowfoot/Cascade intersection. The district's primary reason for selling the property is to raise funds for the Construction program at the High School. The district approached the City first (prior to listing the property) as they are aware that the City and Linn County intend to realign the existing intersection configuration to improve safety at some point in the future when funds become available.

Several meetings have taken place to discuss price and the amount of property needed to realign the intersection. The Lebanon School Board has agreed to sell the 2.08 acres for \$80,000, which is based on comparable sales in the area. The property purchase is being done by the City (as opposed to Linn County) due to the roadway becoming City jurisdiction at some point in the future. Staff is proposing to use Street SDC Funds to pay for the right-of-way purchase.

As of now, there are no dedicated funds to complete the intersection realignment. However; the first step in this process will be to have adequate right-of-way to complete the improvements. City Staff and Linn County Staff will continue to look at funding opportunities to construct the project.

RIGHT-OF-WAY DEDICATION

KNOW ALL MEN BY THESE PRESENTS that for and in consideration of the sum of \$ _____, receipt of which is hereby acknowledged, the undersigned, _____ Lebanon Community School District 9 _____, address: 585 South 5th Street _____ City of Lebanon, County of Linn _____, State of Oregon _____, owner of the land below described, hereinafter called Grantor, hereby grants, bargains, sells and conveys to the CITY OF LEBANON, a Municipal Corporation located within Linn County, Oregon, hereinafter called Grantee, its successors and assigns, a perpetual municipal right-of-way in, over and upon property situated in Linn County, Oregon, more fully described as follows: See "Exhibit A" & "Exhibit B" Attached

The purpose of this right-of-way is to provide property for public facilities and public utilities on the above-described property.

This right-of-way includes the rights of ingress and egress at any time over and upon the above-described land of the Grantor, and other land of the Grantor adjoining said right-of-way that is necessary to exercise the rights of ingress and egress.

There is reserved to Grantor, their heirs and assigns, the right and privilege to use the above-described land of the Grantor at any time, in any manner, and for any purpose not inconsistent with the full use and enjoyment by the Grantee, its successors and assigns, of the rights and privileges herein granted.

Grantee shall be responsible for the construction, maintenance, operation and replacement of the right-of-way for which the granting of this right-of-way dedication has been given.

IN WITNESS WHEREOF, we have set our hands hereto this _____ day of _____, 20____.

IN WITNESS WHEREOF, we have set our hands hereto this _____ day of _____, 20____.

STATE OF OREGON)
County of Linn)ss.
City of Lebanon)

STATE OF OREGON)
County of Linn)ss.
City of Lebanon)

Name & Title: _____

By: _____
Paul R. Aziz, Mayor []
Bob Elliott, Council President []
By: _____
Linda Kaser, City Clerk/Recorder

GRANTOR(S)

GRANTEES

On the _____ day of _____, 20____, personally appeared _____ the _____ within _____ named _____ who acknowledged the foregoing instrument to be a voluntary act and deed.

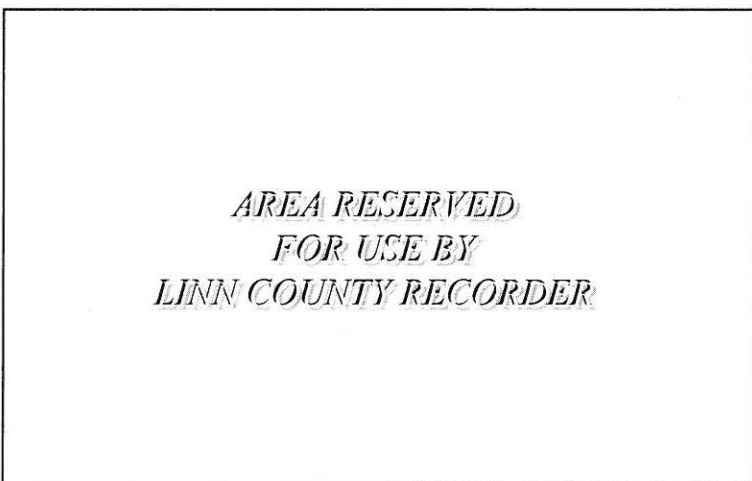
On the _____ day of _____, 20____, personally appeared _____ and LINDA KASER, who each being duly sworn, did say that the former is the Mayor/Council President and the latter is the Recorder for the City of Lebanon, a Municipal Corporation, and that the seal affixed to the foregoing instrument was signed and sealed in behalf of said corporation by authority of its City Council, which accepted this easement on the _____ day of _____, 20____; and each of them acknowledged said instrument to be its voluntary act and deed.

BEFORE ME: _____
NOTARY PUBLIC FOR OREGON

BEFORE ME: _____
NOTARY PUBLIC FOR OREGON

My commission expires: _____

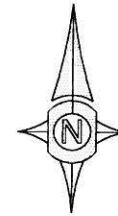
My commission expires: _____



MICROFILM VOLUME
157, PAGE 60

N60°17'41"E 171.02'

CASCADE DRIVE
CR 716
(60.00' R/W)



SCALE:



MAP: 12S-02W-23D
TL: 3700
550 CASCADE DR.

S89°58'26"E 179.95'

POINT OF BEGINNING
NE CORNER OF
VOLUME 462, PAGE 352

MICROFILM VOLUME
462, PAGE 352

N0°06'34"E 194.50'

MICROFILM VOLUME
157, PAGE 60

S29°42'19"E 248.33'

$\Delta=87^{\circ}49'22''$
R=66.19'
L=101.46'
LC=S46°06'51"W 91.82'

CROWFOOT RD.
CR 717
(40.00' R/W) N89°58'26"W 385.75'

DLC 69

DLC 62

"EXHIBIT B"

RIGHT-OF-WAY

Date 11/28/16
PROJECT 16-280
Drawn by AAP
Checked by BSV

LEGEND

R/W RIGHT OF WAY
CR COUNTY ROAD

DRAWING BASED ON C.S. 25888

Exhibit A

Right-of-way

A portion of the land described as Parcel XXXI in Volume 1356, Page 666, Linn County deed microfilm records in the Southeast quarter of Section 23, Township 12 South, Range 2 West, Willamette Meridian, City of Lebanon, Linn County, Oregon. Being more particularly described as follows:

Beginning at the Northeast corner of the land described in Volume 462, page 352, Linn County deed microfilm records; thence leaving said deed record South $89^{\circ}58'26''$ East 179.95 feet; thence North $60^{\circ}17'41''$ East 171.02 feet to a point on the West right-of-way of Cascade Drive (County Road 716); thence along said right-of-way South $29^{\circ}42'19''$ East 248.33 feet; thence 101.46 feet along a 66.19 foot radius curve to the right, the long chord of which bears South $46^{\circ}06'51''$ West 91.82 feet to a point on the North right-of-way of Crowfoot Road (County Road 717); thence along said right-of-way North $89^{\circ}58'26''$ West 385.75 feet to the Southeast corner of said Volume 462, page 352; thence along the East line of said deed record; thence North $0^{\circ}06'34''$ East 194.50 feet to the point of beginning.

Agenda Item 4



925 S. Main Street
Lebanon, Oregon 97355

TEL: 541.258.4906
cdc@ci.lebanon.or.us
www.ci.lebanon.or.us

MEMORANDUM

Community Development

To: Lebanon City Council
From: Walt Wendolowski, AICP
Community Development Director
Subject: Recreational Marijuana Ordinance

Date: January 4, 2017

I. BACKGROUND

Voters recently approved a ballot measure allowing the sales of recreational marijuana. Council direct Department staff to prepare the necessary Municipal Code amendments to implement the decision. This memorandum reviews the proposed amendments.

II. DISCUSSION

The City recently adopted Municipal Code provisions regarding medical marijuana facilities (Chapter 5.22). The original intent was to modify these provisions to incorporate recreational marijuana. However, this was rejected for three reasons:

1. State laws governing medical marijuana and recreational marijuana are governed by separate State Statutes.
2. Mixing both medical and recreational regulations might create some confusion as to which rules apply under what circumstances. To assist potential customers (and staff) it was felt a separate Chapter would be more appropriate.
3. We anticipate statutory requirements will change over time, especially for medical facilities. Separate Municipal Code chapters will make it easier for the City to amend its own regulations.

Therefore, a new Municipal Code Chapter – 5.18 – was created to address recreational marijuana. A copy of the material is included as Attachment “A” and reviewed below:

5.18.010 – Purpose. This Section establishes the reasons behind (or findings) supporting the particular regulations. The key one is item “B.” which seeks to balance individuals’ rights with the potential impacts of recreational-related facilities.

5.18.020 – Definitions. This Section includes unique definitions applicable to the Chapter. The term “Marijuana Facility” covers all activities not related to medical marijuana facilities.

5.18.030 – Relationship to Other Standards. This Section addresses the need to acquire applicable state licenses and does not exempt operations from complying with applicable land use, building and fire safety requirements.

5.18.040 – Planning Districts Where Marijuana Facilities Permitted. Retail sales are limited solely to the Highway Commercial zone; retail sales are prohibited from the downtown business area. All other non-medical activities (primarily production and distribution) must locate to the Industrial zone.

5.18.050 – Standards for Marijuana Facilities. This Section places restrictions on the location of such facilities, primarily their proximity to schools and parks. The facility must also be located in a permanent structure (no temporary use permit) and cannot operate as a home occupation. Finally, walk-up or drive-through facilities are prohibited.

5.18.060 - Operating Restrictions for Marijuana Facilities with Retail Sales. Retail operations have limited hours of operation, cannot provide free samples and the product cannot be consumed on-site.

5.18.070 - Operating Restrictions for Marijuana Facilities Involving Production, Processing, Wholesaling, and Distribution. This Section addresses restrictions for non-retail activities. Outdoor storage is prohibited, odors must be contained and there are restrictions on edible products.

5.18.080 – Edible Marijuana. Regulations regarding edible products are found in this Section. This is similar to packaging regulations for medical marijuana found in Chapter 5.22 and addresses packaging and labelling.

While these rules are comparable to other jurisdictions, staff anticipates amendments will occur – especially with regard to medical marijuana facilities – as the State regulations evolve.

III. ACTION

If the City Council finds the proposed amendments acceptable, an adoption Ordinance is included in the packet.

ATTACHMENT "A"

Chapter 5.18 – RECREATIONAL MARIJUANA PRODUCTION AND SALES

5.18.010 - Purpose

The purpose of this chapter is to:

- A. Protect the general health, safety, property, and welfare of the public;
- B. Balance the right of individuals to produce and access marijuana and marijuana derivatives consistent with state law, with the need to minimize adverse impacts to nearby properties that may result from the production, storage, distribution, sale, and/or use of marijuana and derivatives;
- C. Prevent or reduce criminal activity that may result in harm to persons or property;
- D. Prevent or reduce diversion of state-licensed marijuana and marijuana derivatives to minors; and
- E. Minimize impacts to the City's public safety services by reducing calls for service.

5.18.020 - Definitions

The words and phrases have the following meanings:

- A. "Edible marijuana" means edible product that contains marijuana.
- B. "Marijuana" means all parts of the plant of the Cannabis family Moraceae, whether growing or not; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant or its resin, and includes both medical and recreational marijuana as defined by Oregon law.
- C. "Marijuana extract" means a product obtained by separating resins from the marijuana plant by solvent extraction.
- D. "Marijuana facility" means a commercial or public use or structure where marijuana is produced, processed, wholesaled, retailed, distributed, transferred, sold or consumed and registered with the Oregon Health Authority (OHA) or the Oregon Liquor Control Commission (OLCC).

5.18.030 – Relationship to Other Standards

- A. The provisions of this Chapter apply to all marijuana facilities requiring a state license or registration.
- B. The regulations in this Chapter are in addition to other development code standards, including all base zone standards. Sites with overlay zones, plan districts, inventoried hazards, and/or sensitive lands are subject to additional regulations. Specific uses or development types may also be subject to regulations set forth elsewhere in the Lebanon Development Code.
- C. To the extent there is a conflict between other provisions in the Lebanon Development Code and the provisions of this Chapter, the provisions in this Chapter apply.

5.18.040 – Planning Districts Where Marijuana Facilities Permitted

Marijuana facilities are permitted in the following planning districts and subject to the other provisions of this Chapter:

- A. Retail sales shall be limited to the Highway Commercial (Z-HC) zone.
- B. The production, processing, wholesaling, and distribution shall be limited to the Industrial (Z-IND) zone.

5.18.050 – Standards for Marijuana Facilities

- A. All Marijuana facilities must comply with all applicable State requirements.
- B. A marijuana facility cannot be located within 1,000-feet, measured from the closest property line, of the real property comprising a public or private elementary, secondary or career school attended primarily by minors.
- C. A marijuana facility cannot be located within 250-feet, measured from the closest property line, of the real property comprising a public park.
- D. A marijuana facility cannot be located within 1,000 feet, measured from the closest property line, of any other marijuana facility.
- E. A marijuana facility must be located in a permanent building and may not be located in a trailer, shipping container, cargo container, tent, motor vehicle, or other non-permanent structure; and, may not be operated as a home occupation regardless of zone.
- F. Walk-up and drive-through marijuana facilities are prohibited.

5.18.060 - Operating Restrictions for Marijuana Facilities with Retail Sales

Such facilities shall be subject to the following limitations:

- A. Sales shall be limited to the hours of 10:00 a.m. and 8:00 p.m. of the same day.
- B. The facility shall not distribute marijuana or marijuana-infused products free of charge.
- C. Consumption, ingestion, inhalation, or topical application of usable marijuana anywhere on the premises of the dispensary shall be prohibited.

5.18.070 - Operating Restrictions for Marijuana Facilities Involving Production, Processing, Wholesaling, and Distribution

Such facilities shall be subject to the following limitations:

- A. Comply with the restrictions on edible marijuana as provided in Section 5.18.080.
- B. All marijuana odors and other objectionable odors must be confined to levels undetectable at the property line.
- C. Outdoor storage of merchandise, plants, or other materials is prohibited.

5.18.080 – Edible Marijuana

Marijuana facilities that produce, process, wholesale, distribute, transfer, or sell edible marijuana must comply with the following provisions:

- A. All edible marijuana must be individually wrapped at the original point of preparation.
- B. Labeling must be distinctly and clearly legible on the front of the package and must include:
 - 1. a warning that the contents contain marijuana;
 - 2. a statement that the contents are not a food product; and
 - 3. a statement emphasizing that the product is to be kept away from children.
- C. Packaging of edibles must be in child-resistant packaging.
- D. Packaging that makes the product attractive to children or imitates candy is prohibited.
- E. Retail sale of edible marijuana products must be behind a commercial counter or in an enclosed display case.

A BILL FOR AN ORDINANCE AMENDING)
TITLE 5 OF THE LEBANON MUNICIPAL CODE,)
ESTABLISHING REGULATIONS FOR)
RECREATIONAL MARIJUANA SALES AND)
PRODUCTION)
ORDINANCE BILL NO. 2017-2
ORDINANCE NO. 2890

THE PEOPLE OF THE CITY OF LEBANON DO ORDAIN AS FOLLOWS:

Section 1. Title 5 of the Lebanon Municipal Code is hereby amended with the inclusion of the following new Chapter:

Chapter 5.18 – RECREATIONAL MARIJUANA PRODUCTION AND SALES

5.18.010 - Purpose

The purpose of this chapter is to:

- A. Protect the general health, safety, property, and welfare of the public;
- B. Balance the right of individuals to produce and access marijuana and marijuana derivatives consistent with state law, with the need to minimize adverse impacts to nearby properties that may result from the production, storage, distribution, sale, and/or use of marijuana and derivatives;
- C. Prevent or reduce criminal activity that may result in harm to persons or property;
- D. Prevent or reduce diversion of state-licensed marijuana and marijuana derivatives to minors; and
- E. Minimize impacts to the City’s public safety services by reducing calls for service.

5.18.020 - Definitions

The words and phrases have the following meanings:

- A. “Edible marijuana” means edible product that contains marijuana.
- B. “Marijuana” means all parts of the plant of the Cannabis family Moraceae, whether growing or not; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant or its resin, and includes both medical and recreational marijuana as defined by Oregon law.
- C. “Marijuana extract” means a product obtained by separating resins from the marijuana plant by solvent extraction.

- D. “Marijuana facility” means a commercial or public use or structure where marijuana is produced, processed, wholesaled, retailed, distributed, transferred, sold or consumed and registered with the Oregon Health Authority (OHA) or the Oregon Liquor Control Commission (OLCC).

5.18.030 – Relationship to Other Standards

- A. The provisions of this Chapter apply to all marijuana facilities requiring a state license or registration.
- B. The regulations in this Chapter are in addition to other development code standards, including all base zone standards. Sites with overlay zones, plan districts, inventoried hazards, and/or sensitive lands are subject to additional regulations. Specific uses or development types may also be subject to regulations set forth elsewhere in the Lebanon Development Code.
- C. To the extent there is a conflict between other provisions in the Lebanon Development Code and the provisions of this Chapter, the provisions in this Chapter apply.

5.18.040 – Planning Districts Where Marijuana Facilities Permitted

Marijuana facilities are permitted in the following planning districts and subject to the other provisions of this Chapter:

- A. Retail sales shall be limited to the Highway Commercial (Z-HC) zone.
- B. The production, processing, wholesaling, and distribution shall be limited to the Industrial (Z-IND) zone.

5.18.050 – Standards for Marijuana Facilities

- A. All Marijuana facilities must comply with all applicable State requirements.
- B. A marijuana facility cannot be located within 1,000-feet, measured from the closest property line, of the real property comprising a public or private elementary, secondary or career school attended primarily by minors.
- C. A marijuana facility cannot be located within 250-feet, measured from the closest property line, of the real property comprising a public park.
- D. A marijuana facility cannot be located within 1,000 feet, measured from the closest property line, of any other marijuana facility.
- E. A marijuana facility must be located in a permanent building and may not be located in a trailer, shipping container, cargo container, tent, motor vehicle, or other non-permanent structure; and, may not be operated as a home occupation regardless of zone.

- F. Walk-up and drive-through marijuana facilities are prohibited.

5.18.60 – Operating Restrictions for Marijuana Facilities with Retail Sales

Such facilities shall be subject to the following limitations:

- A. Sales shall be limited to the hours of 10:00 a.m. and 8:00 p.m. of the same day.
- B. The facility shall not distribute marijuana or marijuana-infused products free of charge.
- C. Consumption, ingestion, inhalation, or topical application of usable marijuana anywhere on the premises of the dispensary shall be prohibited.

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 - 2. a statement that the contents are not a food product; and
 - 3. a statement emphasizing that the product is to be kept away from children.
- C. Packaging of edibles must be in child-resistant packaging.
- D. Packaging that makes the product attractive to children or imitates candy is prohibited.
- E. Retail sale of edible marijuana products must be behind a commercial counter or in an enclosed display case.

Section 2. Because the regulation of marijuana and marijuana facilities within the city is necessary for the peace, health and safety of the people of the city of Lebanon, an emergency is declared to exist, and this ordinance is effective upon its passage by the City Council.

Passed by the Lebanon City Council and executed by the Mayor on this 11th day of January, 2017 by a vote of ____yeas and ____nays.

CITY OF LEBANON, OREGON

Paul R. Aziz, Mayor
Bob Elliott, Council President

ATTESTED BY:

Linda Kaser, City Clerk

Agenda Item 5



925 S. Main Street
Lebanon, Oregon 97355

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MEMORANDUM

City Attorney

To: City Council
From: John (Tre') Kennedy
Subject: Amending LMC 12.12 to include E-Cigs

Date: 1/4/2017

The attached ordinance amended LMC 12.12 to include any "Inhalant Delivery System" in the definition of "smoking" for purposes of the City's ban on smoking in City parks. This is specifically to address E-Cigs or Vaping, but is drafted broadly to include any new devices that might come on the market with the same purpose.

**A BILL FOR AN ORDINANCE AMENDING) ORDINANCE BILL NO. 2017-3
CHAPTER 12.12 OF THE LEBANON MUNICIPAL)
CODE CONCERNING SMOKING IN PUBLIC)
PARKS AND DECLARING AN EMERGENCY) ORDINANCE NO. 2891**

WHEREAS, electronic smoking devices, known by a variety of names including e-cigarettes, are products which are capable of delivering nicotine and other harmful substances through inhalation; and

WHEREAS, information regarding the health effects of electronic smoking devices indicate that they are harmful to the health of the user; and

WHEREAS, the American Academy of Pediatrics reports that vapor released from e-cigarettes contains toxic chemicals, including carcinogens and significant amounts of nicotine and has recommended that e-cigarettes be regulated in the same manner as regular cigarettes.

NOW, THEREFORE, THE CITY OF LEBANON ORDAINS AS FOLLOWS:

Section 1. Section 12.12.015 (Definitions) of the Lebanon Municipal Code is hereby amended to add:

“Smoke” or “Smoking” means the carrying or holding of a lighted pipe, cigar, cigarette or other lighted smoking product or equipment used to burn any tobacco products, weed, plant, or any other combustible substance. Smoking also includes the use of any Inhalant Delivery System, which includes any device that can be used to deliver nicotine in the form of a vapor or aerosol to a person inhaling from the device. Smoking does not include any product that has been approved by the United States Food and Drug Administration for sale as a tobacco cessation product.

Section 2. Inasmuch as the prompt and continuous enforcement of the elimination of smoking in city parks is necessary for the peace, health and safety of the people of the City of Lebanon, an emergency is declared to exist, and this ordinance is effective upon its passage by the City Council.

Passed by the Lebanon City Council and executed by the Mayor on this 11th day of January, 2017 by a vote of ___ yeas and ___ nays.

CITY OF LEBANON, OREGON

Paul R. Aziz, Mayor
Bob Elliott, Council President

ATTESTED BY:

Linda Kaser, City Clerk

Agenda Item 6



925 S. Main Street
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MEMORANDUM

City Clerk's Office

To: Mayor Aziz and City Council

Date: January 5, 2017

From: Linda Kaser, City Clerk

Subject: Cheadle Lake Foundation Proposal – Transfer Ownership of Cheadle Lake

Staff will bring information to the January 11 meeting for a discussion on the Cheadle Lake Foundation's proposal.



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MEMORANDUM

Administration

To: Mayor Aziz and City Councilors

Date: January 11, 2017

From: City Manager Gary Marks 

Subject: Discussion on Cheadle Lake Park Transfer

The following information is being provided in preparation for the City Council's discussion this evening about the potential of transferring ownership of Cheadle Lake Park from the Cheadle Lake Foundation to the City of Lebanon.

If the park is transferred to City ownership the following financial actions would be needed.

- Retirement of existing mortgage \$94000.00 roughly.
- Retirement of Strawberry Festival note \$50,000.00
- City honors 50 year lease agreement with the Lebanon Strawberry Festival, rental rates are reviewed every 5 years. Last updated in 2015
- City will assume and honor utility agreement with Pacific Power \$19000.00

These items total \$163,000 and would be paid from the City's Park SDC Fund.

Lebanon Community Foundation would continue to manage park events by agreement. All park use funds would be paid directly to the City under a lease agreement. Current generated park use funds are roughly \$33,000 annually. There would also be grant and donated funds, currently collected by the Foundation, of approximately \$40,000 annually, that could be expected to support City operations.

The City will use the donation value of the park of roughly \$2,133,000.00 as grant match to secure improvement grants for the Cheadle Lake recreation area. Many of these grant dollars are not currently available to the Foundation due to its private nature.

The foundation requests the City waive lease fees for their internal programs for the Star Spangled Celebration and the Cheadle Challenge. These waivers would not reduce the park use revenue listed above.

The following items would be needed to operationally meet the large increase in property.

1. Hire a maintenance worker with 50% of their time being spent at Cheadle Lake with the remaining balance of time to be split throughout the parks system. Picking up increasing

maintenance that will be needed with current parks projects such as the Strawberry Plaza, community garden and Christopher Columbus. Roughly \$75k with benefits and salary.

2. Materials and service budget will need to be increased by 15% (\$38887.50) roughly.
3. The City will work to develop a parks and recreation strategy to maximize all the property in our system. The opportunity exists to recapture some of our costs once we have a strategy in place. In the event that a Parks and Recreation District is created by the voters as considered for research in the Community Strategic Plan (Action Item 8.1) an agreement with the Lebanon Community Foundation for event management would be no longer needed.

Attorney Kennedy is currently developing an agreement that lays out all the particulars.

Staff will be seeking the City Council's guidance at the conclusion of tonight's discussion as to whether the City should engage with the Foundation to move the property transfer forward.

Agenda Item 7



CITY MANAGER REPORT

Reporting period: December 2016

I. A. ADMINISTRATION – Gary Marks, City Manager

- **Employee Appreciation Event:** On December 7th the City hosted the annual Employee Appreciation Event at Boulder Falls Center. Approximately 78 staff members were in attendance. I presented information about the City's new logo, provided an update on projects being implemented through the Strategic Action Plan, and discussed the City's Samaritan All-Star Award and League of Oregon Cities Gold Safety Award. Recognition was given to members of the City's Safety Committee and longevity awards were given to several individual employees recognizing their long-term service to the City. Finally, Council President Bob Elliott (representing Mayor Paul Aziz) presented the annual Mayor's Extra Mile Award to Project Engineer Mike Trippett for his outstanding service to Lebanon.
- **Economic Development:** Work on various City projects continued in December with activity occurring in regards to the Strawberry Plaza Project, the new Water Plant Utilities Project, planning for the anticipated 2017 formation of the Downtown and Hwy 20 Urban Renewal Districts (as provided in the Strategic Plan), work on the update of the Cheadle Lake URD Plan, a review of City Hall facilities issues with an eye on a possible update of the City's Facilities Masterplan in 2017, and initiation of a jointly funded project with Linn County to remodel the small City Hall garage into an Americans with Disabilities Act compliant courtroom. The later project was undertaken to resolve a long standing security issue that has occurred whenever the County brings Jail Inmates and others into the back City Hall office area (when handicap accessibility is required to conduct Court hearings). I also completed a series of meetings in December with managers of Lebanon banks and credit unions where we discussed the upcoming Downtown Building Restoration Project.
- **Lebanon Arts Commission:** After reviewing applications for the new Lebanon Arts Commission I asked Linda Kaser to re-advertise in January for more applicants. Not enough applications were received in the first application period to enable a broad cross-section of artistic interests on the new Commission. Applications already received remain under active consideration and will be joined with any additional applications received during the January period. I am now anticipating appointment recommendations will be made to the City Council at the February 8th Council meeting.
- **Coalition on Homelessness:** I met with Dave Albanese, Community Service Officer, who chairs the new Coalition on Homelessness. He reports that the Coalition's organizing efforts are going well. He is hopeful that the group will be able to begin focusing on individual cases soon and begin the work of helping members of the homeless community to come off "the streets".
- **Community/Regional/Professional Meetings.** In addition to those items listed above I participated in other community events and professional meetings in December. I met with representatives of the Build Lebanon Trails (BLT) organization to discuss a new process to better facilitate communication and the coordination of trail projects between the City and BLT. My wife, Laurie, and I attended the Chamber's Member Appreciation Night Event at the Boys and Girls Club on December 6th. I met with Kim Ketcham of COMP-Northwest. We discussed developing issues for our respective organizations. I also met with Di Lacey, also of COMP-Northwest. Our discussion centered on the Blue Zones Project and the potential role the City might play should Lebanon be named a Blue Zones community. Based on our discussion, the City would not be looked on for financial support, but rather leadership on the "Healthy Community" strategies previously outlined in the Community Strategic Plan. I also met with the staff of my office (Leigh Matthews Bock, Debi Shimmin and Linda Kaser) for our monthly departmental staff meeting. Finally, I attended my usual weekly Rotary and Optimist Club lunch meetings.

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B. HUMAN RESOURCES – Debi Shimmin, HR Generalist

- **Employee Health:** All three open enrollments; Health, Life Insurance, and Flexible Spending have been completed, with new changes taking effective on January 1, 2017
- **Employee Training:** 12 out of 97 (12%) employees participated in the Balance Program for 2016. A new balance program will begin next month, with a goal of 20% participation for 2017.
--Next month I will be taking the CIS course, [Top Employment Law Resolutions That Every Employer Should Keep](#).
- **Employment Law:** "The end of 2016 is a good time to review and consider a subtle shift in employment law which appears to be gaining momentum. The shift, which may be imperceptible at first, could prove to have lasting impact on employers, especially those who operate in multiple cities and states, and can easily be described as "going local." This article in the National Law Review (dated 12/29/2016) explains that more jurisdictions are beginning to challenge federal laws and that the trend is likely to continue. To read the full article, go to: www.natlawreview.com/article/2016-they-say-all-politics-local-now-employment-law-too<https://olis.leg.state.or.us>
- **HR Notes:** The City received notice from Teamsters Local 223 with the offer to meet and confer for the purpose of negotiating a new agreement. It is hoped that meetings will begin in January or February and conclude before the current agreement expires on June 30, 2017.
--The recruitment for a new Library Director will begin in January, as the current director Carol Dinges is scheduled to retire on July 1, 2017.
- **Safety/Wellness Committee:** The December meeting was cancelled due to weather.
-- We have secured commitments from all of the Wellness Fair sponsors.
-- The Safety Short topic this month was S.A.D. (Seasonal Affective Disorder) Awareness.

II. LEGISLATIVE / CITY CLERK – Linda Kaser, City Clerk

- The City Clerk's Office is operating business as usual.

III. COMMUNITY DEVELOPMENT – Walt Wendolowski, Director

A. Planning:

- The Commission did not meet in December. The Commission will meet in January to review a Conditional Use to establish a Head Start and a request to modify the Pacific Place Planned Development.
- The Department approved a Partition on West Ash Street to create three parcels.
- The Transportation System Plan is moving along. The work is now concentrating on possible future scenarios. The Technical Advisory Committee met during the first week of December to review the material and the Policy Advisory Committee will meet in January. Period updates and a comments map may be found at www.lebanontsp.org

B. Building:

- The City processed 44 permits in November, down from 55 in October and 91 in September. Total fees were \$11,911 on \$670,609 in valuation. To date, for FY 2016/17 the City received \$232,777 in fees on \$16,706,242 in valuation. By comparison, for the same period in FY 2015/16 the fees were \$184,479 on \$19,187,544 in valuation. Valuation is down indicating fewer "big" projects but fee revenue is up due to recent revisions to our fee structure to recoup program costs.

IV. ENGINEERING SERVICES – Ron Whitlatch, Director

- During the week of December 12th, the project team (Carollo Engineers, City Staff, and Slayden Constructors) finalized the value engineering process in order to develop revised plans for use in defining a Guaranteed Maximum Price (GMP). Beginning in late January, Slayden will advertise certain portions of the project for bids. Staff will also be working on amending the ACOE and DSL permits to fit the new project and extend the duration of the permits.
- Emery & Sons Construction is making good progress on the Offsite Utility Project associated with the New Water Treatment Plant. They are currently installing utilities between the two entrances to the Mountain River area. This

THE CITY THAT FRIENDLINESS BUILT

includes raw waterline, potable waterline, sanitary sewer and storm drain. They did run into a localized area of contamination south of the WTP site and in the parking area of Cheadle Lake. Staff hired an Environmental Engineering Firm to provide testing prior to disposal and to ensure that the trench backfill is done properly so as not to allow the contamination to spread. Emery & Sons is still on schedule to be complete by early 2017.

- Udell Engineering will be completing a TOPO Survey of Dodge Street between Williams Street and Bromil Street within the next few months. Staff has received numerous complaints citing the lack of safe pedestrian facilities in this neighborhood. Once the survey is complete, we can make a determination of what can be accomplished, and at what cost.
- Udell Engineering will be working on the design for the replacement of the 'E' Street Sanitary Sewer from 7th Street to 4th Street. This sewer has multiple failure areas and is the number one priority for this year's Small Sewer Replacement Program.
- Staff is working with Linn County and ODOT to realign the intersection of Dewey and Walker Road at Highway 20. Linn County is in possession of the property where the old Hoskins Supply was located. We are currently working on funding the project.
- Staff is continuing with the design of the Airport Road Extension Project. To date, we are approximately 90% complete. This project is tentatively scheduled for construction in 2017. The original project scope included reconstruction of Russell Drive/River Road from Franklin Street to Cheadle Lake Park; however, due to the need for construction access to the Water Treatment Plant site, this section of the project will be constructed during the summer of 2018. As part of the project, a permit from the Corps of Engineers must be obtained in conjunction with the wetlands that will need to mitigate. This permit has been applied for, and is currently being reviewed. As part of the review, the ACOE is now requiring a Cultural Resources Study be done in conjunction with the local tribes of the area. This has a big potential to delay the project for several months. Staff is pushing the agencies to complete this process as soon as possible.
- Staff is currently working with ODOT to install a Pedestrian Activated Crosswalk light at the intersection of Fifth Street and Tangent Street. ODOT is likely going to fund the construction of this improvement through an IGA with the City. IGA will require the City to be responsible for the maintenance of the crossing.
- Staff is currently working with Lebanon School District to install a new crosswalk and actuated crossing light on Fifth Street in front of pioneer School. We are still trying to determine the best location, if any for a new crossing.
- Stangeland & Associates and Udell Engineering are continuing with the design of Porter Park. There will likely need to be a Project Amendment to the Cheadle Lake URD before this project can be constructed. Staff will be working with a consulting firm to prepare the amendment for Council Approval.
- Staff will bring a proposal to City Council in January to purchase approximately 2.5 acres of property from the Lebanon School District at the intersection of Crowfoot and Cascade Drive. This property will be used for future realignment of the existing intersection.
- Work continues very slowly to complete the additional street and utility improvements in the north area of the Samaritan Campus project. The improvements included widening the east side of 5th Street north of Pioneer School. Additionally, 5th Street improvements were extended to the south edge of the future LBCC Medical Occupations Building. Improvements also included additional parking on the west side of 5th Street in front of Pioneer School which was recently paved in anticipation of school starting. Streetscape landscaping and planting street trees are completed along Boulder Falls Drive. Streetscape landscaping and street trees along the east side of 5th Street are expected soon.
- The new parking lot area of Samaritan Campus site just west of the hotel has not changed. The site has been excavated, rocked and graded. Underground storm drainage utilities are expected soon.
- The expansion of the Linn-Benton Community College Advanced Transportation Technology Center (Heavy Equipment Center, and Innovation Center) at the far west end of the City on Oak Street is nearly complete. Temporary Occupancy has been granted.
- The work continues on the new Linn-Benton Community College Health Occupations Center. The site has been excavated and rocked. 5th Street improvements are completed, but streetscaping is yet to be completed. The utilities are installed and the site fire hydrant is operational. The exterior brick is being installed on the building.
- Expansion of the Lebanon Hospital Emergency Department continues. The public sanitary sewer was extended north to the northern driveway and the helicopter pad was relocated. Additional parking lot improvements and utility work adjacent to the addition are expected soon.

THE CITY THAT FRIENDLINESS BUILT

- Construction of the Conser "Aspen Place" Apartments on 2nd Street just south of Airport Rd has commenced. Site excavation and base rock placement are complete. The majority of the public water system extension is completed, tested, and the new fire hydrant is operational. A good portion of private site sewer and storm utilities are also in. Building foundations are in and walls are being constructed.
- Construction of phase 1 and 2 of the Bender Storage project located on Weirich Drive just east of the Lebanon Fire District Station #34 is complete.
- Gleanns at River Place II is an additional residential subdivision between Kokanee Way and the Santiam canal north of River Road near Cheadle Lake. The public improvements and site grading are nearly complete. Staff reviewed the subdivision plat. Construction completion and final platting are expected very soon.
- Staff continues working with a developer and consultant preparing a new subdivision approved by the Lebanon Planning Commission over the vacant land along the railroad tracks at Williams and Milton Streets. Staff is continuing to assisting the developer with a proposed right of way vacation in the middle of the site.
- Staff reviewed public improvement drawings for utilities serving new duplexes that will be constructed at the northwest corner of 7th Street and Airport Road, but no further progress has been made.
- The new mini-storage facility on Airway Road just south of W. Oak Street is nearing completion.
- The new 6-plex apartment complex at the southwest corner of 5th and Rose is up and sheeted. Site improvements are expected soon.
- Staff received a land division plat for review for the first phase of the Mill Race development north of Reeves Parkway. The total area of the project covers approximately 50 acres north of the Cascade Ridge Apartment complex. The Planning Commission approval was for a variety of land uses including commercial, residential, and some recreational features as well.
- Home construction continues in the Eagle View Subdivision (east of South Main south of Joy), Heather Estates Subdivision (west of South Main Road south of Joy), Santiam Riverfront Estates (east of Mountain River Drive by the Santiam River), and the Gleann Subdivision (formerly known as Santiam River Place 3 along Kokanee Way). Staff continues to review site plans for additional homes for these subdivisions and other home sites throughout the City.

V. FINANCE SERVICES – Dean Baugh, Director

- City Auditors were on site Sept 14-16 for final audit fieldwork, final report will be presented at the February Council meeting, an extension has been filed with the Secretary of State's office as the audit will not be submitted by Dec 31
- At the December council meeting staff brought forward a recommendation that the City eliminate the utility deposit requirement on utility accounts where the payment is the responsibility of and received from the property owner. Council approved this request, due to software issues we were unable to apply the deposits to the Dec billing, will be processed with the Jan 2017 billing.
- Completed our analysis of proposed IVR systems, the proposal was removed from the Dec council meeting due to the weather and the need to shorten the meeting, will update Council at the Feb 2017 Council meeting on proposal to move forward with implementing an IVR system. The IVR system is another option allowing customers to pay their utility bills over the phone or through the use of a smart phone app, 24 hours per day.
- Working with Albany Eastern RR on a new lease for Santiam Travel station and the reload facility, Working with Valley Landfills Inc., on a new lease for the transfer station property
- Working on Cheadle Lake URD amendment
- Staff attended a work session on the net assets lien program
- Linn County Sheriff's department is preparing an MOU to allow the City to utilize the reverse 911 system, this will allow us to make calls to customers subject to disconnect or in case of a utility emergency
- February 24th council work session on utility billing process, beginning process to bring back to council new procedures, biggest change proposed will be property owner responsibility for water/sewer billings
- Accounts Payable; FY16/17 payments made in December, 525 invoices were processed for payments of \$1,140,901.11.
- **Utility Billing for December 2016:**
- 6001 (5690 reg billings, 311 storm water only billings) Billing statements mailed by the end of December
- 1,175 Accounts received a penalty (past due 12/15/16).
- 288 lien letters mailed to property owners.

THE CITY THAT FRIENDLINESS BUILT

- 82 accounts were locked off for non-payment on 11/9/16 for bills due 10/15/16.
- 0- pre-lock off notices was delivered to -0- Mult-Family buildings, accounts paid and not locked off
- 66 accounts were reconnected the same week. The balance was vacant properties or the tenants moved out and property is back in the owner's name.
- Total of 389 Service orders: 40 Move Outs, 44 Move ins, 4 Turn offs, 35 Turn on, 80 reconnects, 37 read request, 1 Dead meters, 13 Leak Checks, 0 Lid Hazard checks, 81 Lock offs, 13 Meter Change out, 1 New Meter Installations, 0 Pressure check, 40 misc. other.

	Jan 16	Feb 16	March 16	April 16	May 16	June 16	July 16	Aug 16	Sept 16	Oct 16	Nov 16	Dec 16	1 yr. ago Dec 15
Billing Statement	5600	5613	5942	5568	5578	5952	5712	5725	5712	5703	5703	6001	5872
Penalty applied	925	661	925	1256	859	1082	1194	910	1205	1416	-0-	1175	754
Lock Offs	83	120	114	62	100	151	68	123	75	121	137	82	140

VI. INFORMATION TECHNOLOGY SERVICES – Brent Hurst, Director

- Working on Water Treatment Plant planning with Engineering.
- Budgeting preparation work.
- Completed upgrade of GIS system to new version and pushed out maps.
- Work on telecommunications plan to promote reliable and affordable high-speed communications. 2040 Strategy 13.1
- Created multiple maps and GIS data exports for the Engineering, Police, Community Service, and Planning Departments as well as the Fire District. 2040 Strategy 8.2.
- Routine user and equipment break-fix issues.

VII. LIBRARY – Carol Dinges, Director

- A new tack board has been fabricated to match those in other areas of the building and installed on the wall across from the circulation desk to help facilitate two of the library's goals. Staff members are currently preparing a display for an upcoming adult reading program.
 - Goal #3 Increase community awareness of library services and resources.
 - Goal #5 Provide excellent programming to meet the cultural and educational needs of your and adults.
- Also addressing Goal #5, several adult and youth programs are scheduled for the month of January:
 - "The Greek Stones Speak" on Tuesday, January 10 at 2 pm – a photographic cultural travelogue presented by photographer and retired tour guide Donald Lyon (adults)
 - Lego Club on Wednesday, January 18 at 4 pm (children 6-13)
 - Storytimes: Baby & Me on Wednesdays at 10 am (ages birth - 2). Preschool on Thursdays at 11 am (ages 3 - 5).
- Addressing concerns about equitable access to library resources (Goal #1), the library's fee schedule has been revised to eliminate the \$.50 fee for placing holds on items, replacing it with a reshelving fee that is only assessed when someone puts an item on hold but never checks it out or cancels the hold (thus making it unavailable for anyone else to check out).

VIII. MAINTENANCE – Jason Williams, Director

- We are operating business as usual with normal day to day operations.

IX. POLICE – Frank Stevenson, Chief of Police

- The Patrol Division had approximately 1,570 calls for service this month, made 126 arrests, wrote 216 case reports, and issued 85 traffic citations.

- The Detectives Division remains busy, working on several investigations. A total of 22 cases were assigned to them for direct follow-up. Detectives were able to clear a total of 10 involved cases, resulting in 9 arrests for various crimes. They served several narcotics-related search warrants and assisted Albany and Sweet Home Police Departments, as well as the Linn County Sheriff's Office, in several drug-trafficking cases.
- Awards were presented to the 2016 'of the year' to John Trahan for Supervisor of the Year, Jillian Libra for Support Person of the Year, Tim Trahan for Police Officer of the Year and Kyle Tucker for Civilian Volunteer of the Year. These awards are given to LPD staff members for outstanding service and voted on by their peers.
- A Traffic Safety class was conducted, with 15 in attendance. This class teaches proper seatbelt use and emphasizes the dangers of using cell phones while driving.
- The Community Services Division remains actively involved with many local events. This past month, time was spent facilitating various events, meeting with active Neighborhood Watch groups and conducting two business assessments. They also were busy completing events such as Shop with a Cop, Holidays in the Park and helping several families in need of presents for Christmas.
- The Warming Shelter opened three different times this past month. With this year's three-member team in place and several volunteers helping, they were able to give shelter to 15 people who needed a warm place to stay over a three-day period.
- Volunteer trainings will continue to be held so that the shelter can be activated again when needed. Lebanon Police will still continue to monitor and train volunteers for the program. If you are interested in volunteering, please contact Dala Johnson.
- Lebanon Peer Court observed 6 trials for the month of December. Trials heard included MIP (tobacco), MIP (Marijuana), runaway cases and theft cases.
- This year LPD paired up with 70 less-fortunate children with LPD staff to do their Christmas shopping. Santa Clause made his appearance with the assistance of a REACH helicopter that delivered him to the Wal-Mart Parking Lot.
- We are still working to further develop the Lebanon Police Cadet Program. We are working on developing policies, goals and processes, as well as all documentation aspects (City of Lebanon 2040 Strategic Vision Action Plan Matrix, Strategy 17, Section 17.3).

X. SENIOR SERVICES – Kindra Oliver, Director

- The Transit Plan Advisory Committee (TPAC) for our Transit Development Plan (TDP) process met on Thursday, December 15th to review and discuss the first two technical memos and talk about the next steps of the process. The consultants have done a great job compiling information thus far and laying the groundwork to develop the goals, objectives and strategies that will help shape the plan. Our next meeting will be in January 2017.
- I'm currently working on Oregon Department of Transportation (ODOT) grants, which are due on January 18th. The grants include our 5311 allocation for small rural transportation programs, a Special Transit Funds (STF) grant for operations and then a 5310 competitive grant to request buses, equipment and new services.
- January events, classes, workshops and activities are posted on the city's website and on the Senior Center Facebook page. We have a couple of new classes, including an eight-week series encouraging participants to look at healthier lifestyles, in a variety of ways.
- Tax season is around the corner and we will soon start taking calls for making appointments for February 1st through April 15th. We are hoping to have a few volunteers help with those phone calls and making appointments this year. Most of the time there is only one staff person in the front office to assist people at the counter, answer phones, schedule Dial-a-Bus rides and dispatch the buses for our riders.



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MEMORANDUM

Administration

To: Mayor Aziz and City Councilors

Date: January 11, 2017

From: City Manager Gary Marks 

Subject: Preparation for February 22nd Council Goal Setting Session

As you are aware, the City Council has set Wednesday, February 22, 2017 at 12:00 p.m. for a meeting to establish Council Goals for the City.

To help organize our effort, I have prepared a "City Goals Questionnaire" (incorporated with this memo – page down) for each Councilor (and Mayor Aziz) to fill out. The questionnaire seeks your top five short-term goals (i.e. projects that can be accomplished in two years or less) and your top five long-term goals (i.e. projects that will require more than two years to accomplish). If you have more than five goals for each category, please feel free to submit your entire list along with your questionnaire. But, please keep in mind that the object of the questionnaire is to identify your top five priorities for both short and long term goals.

It is important that you actually prioritize your goals as it will allow me to provide the Council with a comprehensive analysis of Council priorities based on a weighted scoring system. This analysis will help us make efficient use of our time at the February 22nd Council session.

Please note that I have inserted the list of the Strategic Plan Action Items the City Council adopted in April, 2016. The list shows action items where the City is named as the "Lead Partner" for implementation. I am currently working with Department Directors to develop an implementation schedule spread over a five-year matrix. Please feel free to draw from this list if there are items listed you would like to add to your goals list.

Receiving your completed questionnaire, **no later than the Wednesday, February 8th Council meeting**, will allow me time to tabulate the results and include the resulting information in the meeting packets for the goal setting session. If you have questions about this exercise, please let me know. Thanks!

CITY GOALS QUESTIONNAIRE
Due: February 8, 2017

Name: _____

SHORT-TERM GOALS: In priority order, what are the five most important short-term goals the City should pursue? A short-term goal is any goal that will require 2 years or less to accomplish.

1.

2.

3.

4.

5.

LONG-TERM GOALS: In priority order, what are the five most important long-term goals the City should pursue? A long-term goal is any goal that will require more than two years to accomplish.

1.

2.

3.

4.

5.

COMMUNITY STRATEGIC PLAN: CITY ACTION ITEMS

Community Development	
4.2	Develop downtown design standards protective of Lebanon's historic architectural style.
4.4	Create a Downtown and Commercial Strip (Highway 20) Urban Renewal District.
5.3	Develop and implement a Downtown Property Reuse Strategy for the Elks Lodge and other potential properties.
5.4	Develop and implement a Downtown Residential Incentive Plan.
11.1	Create a complete inventory of land, utilities, and developable resources that are available.
11.2	Develop a strategy to eliminate the obstacle of wetlands mitigation to development.
12.1	Create an community/economic development and downtown revitalization position.
12.2	Develop a residential redevelopment plan to address areas of blight.
12.3	Create a blighted building demolition program for Highway Commercial Zones.
13.2	Update the community Transportation System Plan and create a transit development plan.
13.3	Support the research and development of an inter-modal container transfer station.
15.2	Support policies and ordinances that encourage and enforce property stewardship.

Library	
8.2	Continue to maintain the library and expand program offerings.

Maintenance Operations	
3.2	Build Strawberry Plaza.
3.6a	Create the McDaniel Memorial; a tribute map to contributions to the world by Lebanon and COMP-Northwest.
3.6b	Create the McDaniel Memorial; a personal reflection space at the McDaniel Bench.
3.6c	Create the McDaniel Memorial; a park-based children's feature.

Information Technology	
13.1	Develop a telecommunications plan to promote access to reliable and affordable high-speed communications.

Engineering Services	
4.1	Develop a Downtown Public Streetscape and Utility Infrastructure Plan.
4.3	Implement a Downtown Accessibility Improvement Plan.
5.5a	Develop a Ralston Park Improvement Plan.
5.5b	Implement the Ralston Park Improvement Plan.
9.5a	Complete Community Garden planning process.
9.5b	Build the Community Garden.
13.4	Build the new city water treatment plant.

Police	
14.1	Increase awareness and opportunities for supporting volunteerism in citizens' patrol.
14.2	Create a Crime Reporting/Tip app to ease crime reporting giving community another resource tool.
14.3	Implement and support a cadet program for 13-18 year-old youth.
14.4	Establish crime prevention and education at all Lebanon Schools.
14.5	Provide problem-oriented policing for landlord tenant training.
15.1	Increase Lebanon Park Watch to include all parks and playgrounds.
15.3	Install lighting and security cameras where high crime is of concern.
15.4	Maintain Police funding and staffing commensurate with community growth.
15.5	Evaluate opportunities for a Lebanon Police Academy.
15.6	Evaluate needs and resources for the development of Lebanon police sub-stations.

Administration	
2.1a	Create a Lebanon Arts Commission.
2.1b	Create a Lebanon Art Endowment Fund.
2.3	Develop a Lebanon History Museum Resources Development Strategy.
4.5	Create a Downtown Building Restoration Program.
8.1	Explore and form (if appropriate) a Parks and Recreation District (or department).
17.2	Establish a coalition of community organizations to define a scope to address poverty and homelessness issues.