

public / City Council Item / 2014 Council 07094



Molalla

Oregon

Administration – Finance

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July 23, 2014

July 2017

2014-24

To: Molalla City Council, City Staff, and Residents of Molalla

From: Dan Huff, City Manager

RE: Utility Connections for Annexed Properties

96 properties under Clackamas County stewardship but encapsulated by City of Molalla incorporated area (“islands”) have been identified as in need of annexation into the City.

Graduated taxes – Based on legal information from the Clackamas County Assessor as well as Molalla legal counsel, variable graduated tax rates are not allowable. All properties will fall into the statutory rate increase, if any, based on zoning and usage. Therefore, all properties will annex immediately and will be on the 2015 tax rolls with the exception of those zoned residential and in use as a residence, those properties will annex in 3 years (by State statute) unless the property sells and then it will annex immediately.

Water and Sanitary Sewer hook-ups – The City will require that properties without one or both water and sanitary sewer service have the hook-up to those services completed within five (5) years of the service becoming available.

Available Service definition – Available service will be defined as water and sewer service to the property owner’s property line.

Fees – The following fee scale shall be used for new water or sewer SDC hook-ups within the annexed area:

1. 0 months to 12 months from the date connections are available – No SDC fee
2. 13 months to 36 months from the date connections are available – 50% of the SDC fee rate adopted by City Council at time of connection.
3. 37 months to 60 months from the date connections are available – 100% SDC fee rate adopted by City Council at time of connection.

- **Utility Connection fees (currently \$600 per utility) will not be waived. This fee is subject to change and the property owner will be assessed the adopted fee at time of connection.**
- **Failure of an existing well and/or septic system will require hookup to the City system, no permits will be issued for new septic systems or well drilling for any of the properties annexed even if on a deferral.**

4. **Fees** – The following fee scale shall be used for new water or sewer SDC hook-ups within the annexed area:
 - a. 0 months to 12 months from the date connections are available – No SDC fee
 - b. 13 months to 36 months from the date connections are available – 50% of the SDC fee rate adopted by City Council at time of connection.
 - c. 37 months to 60 months from the date connections are available – 100% SDC fee rate adopted by City Council at time of connection.
5. **Utility Connection fees** (currently \$600 per utility) will not be waived. This fee is subject to change and the property owner will be assessed the adopted fee at time of connection.
6. **Well or Septic Failure** – Property owners will be required to hook-up to the respective water or sanitary sewer service upon individual well or septic system failure.

DECISION

The Molalla City Council **APPROVES** Island Annexation, Comprehensive Plan Amendment and Zone Changes identified in File No. P-6-14 and includes the following as part of their decision:

1. **Graduated taxes** – That all properties will fall into the statutory rate increase, if any, based on zoning and usage. Therefore, all properties will annex immediately and will be on the 2015 tax rolls with the exception of those zoned residential and in use as a residence, those properties will annex in 3 years (by State statute) unless the property sells and then it will annex immediately.
2. **Water and Sanitary Sewer hook-ups** – The City will require that properties without one or both water and sanitary sewer service have the hook-up to those services completed within five (5) years of the service becoming available.
3. **Available Service definition** – Available service will be defined as water and sewer service to the property owner's property line.
4. **Fees** – The following fee scale shall be used for new water or sewer SDC hook-ups within the annexed area:
 - d. 0 months to 12 months from the date connections are available – No SDC fee
 - e. 13 months to 36 months from the date connections are available – 50% of the SDC fee rate adopted by City Council at time of connection.
 - f. 37 months to 60 months from the date connections are available – 100% SDC fee rate adopted by City Council at time of connection.