City of Sherwood, Oregon ORDINANCE NO. 90-916

AN ORDINANCE DIVIDING AND SEGREGATING THE ASSESSMENTS MADE TO WASHINGTON COUNTY ASSESSOR'S MAP 2S1 32AA TAX LOT 6400 AND WASHINGTON COUNTY ASSESSOR'S MAP 2S1 33 TAX LOT 1200 WITHIN THE ROCK CREEK SEWER LOCAL IMPROVEMENT DISTRICT AND MURDOCK ROAD LOCAL IMPROVEMENT DISTRICT, AND DECLARING AN EMERGENCY.

The Council of the City of Sherwood finds that an Section 1. application has been duly filed with the City Recorder for a segregation of the assessments levied upon parcels of contiguous land as provided by Section 12A of Ordinance No. 738 of the City of Sherwood; that the City Recorder mailed notice to the owners and parties having an interest in such property that the City Council would consider such reapportionment at its regular meeting held July 25, 1990; that the City Recorder has made a report and recommendation to the Council for the property proposed to be replatted describing the effect of such division upon the security of the City; and the Council having heard and considered the matter; hereby adopts the facts and findings contained in the report of the City Recorder, and further finds that said segregation of assessment liens will not impair the security of the City of Sherwood for the collection of the assessments upon said property.

Section 2. The assessment for Washington County Assessor's Map 2S1 32AA Tax Lot 6400 and Washington County Assessor's Map 2S1 33 Tax Lot 1200 within the Rock Creek Sewer Local Improvement District and the Murdock Rd. Local Improvement District is hereby reapportioned as described in the report of the City Recorder which is hereby adopted by reference and made a part of this Ordinance, and the docket of City Liens is hereby amended to conform with this reapportionment.

Section 3. The City Council further finds that if the State deferred assessments are not cleared within six (6) months of the adoption date of this Ordinance, the segregation of liens approved by this Ordinance will be void and the liens will revert to their current status. This lien segregation ordinance is adopted for the purposes of the sale contemplated by the application referenced in Section 1 only, and the City liens shall be satisfied in the amount of \$75,269.65 plus interest at the time of closing.

<u>Section 4.</u> Inasmuch as it is necessary for the peace, health and safety of the people of the City of Sherwood that this Ordinance take effect immediately in order that the lawful sale and transfer of property may proceed, an emergency is hereby declared to exist, and this ordinance shall be effective upon its passage by the Council and approval by the Mayor.

Passed by unanimous vote of the City Council this 30th day of July, 1990.

Approved by the Mayor this 30 day of

1990.

NOL

Attest:

folly Manhaker, Recorder

Oyler
Hitchcock
Boyle
Birchill
Chavez

Date: July 27, 1990

To: Mayor and City Council

Through: James Rapp, City Manager

From: Polly Blankenbaker, Director of Finance and

Administrative Services

Re: Lien Segregation and Reapportionment of Tax Lot 2S1

32AA:6400, 2.58 acres, and Tax Lot 2S1 33:1200, 43.54

acres, known as the Cochran Property

On July 12, the City received a request from Steve Terjeson, Realtor for Coldwell Banker, 2117 Portland Road, Newberg to segregate the liens on the Cochran property. Mr. Terjeson represents the Cochran heirs, Darrin Doug, LuAnne Lundy and Kay Merkle. Mr. Terjeson has buyers for the property. According to Mr. Terjeson, the State of Oregon liens for senior deferral of assessments on all the property will be cleared with the sale of the 43 acres.

By way of background, at the time of the LID assessments, the Cochran property was three parcels, 32AA:100, 33:1200, and 33:1300. Since the State will only defer the assessments on the parcel containing the residence, Mrs. Cochran had the parcels replatted into one parcel. The State of Oregon made the LID payments until Mrs. Cochran's death. The last payment received was December 2, 1985. Since that time, the City has not received any payments.

The County issued new tax maps when the new Murdock Road split the property, thus the two existing lots. However, even though the County recognizes the two lots and taxes each lot separately, the City and State have never segregated the liens. Previously, City staff recommended against segregating the liens because we were concerned the house would be sold off and the remainder of the property would not support the liens against it.

Mr. Terjeson indicates the sale of the 42 acres will clear the State assessments against all the property and the County taxes against the 42 acres, and also provide a payment of approximately \$75,000 to the City. Mr. Terjeson is requesting the remaining balance of the LID be moved to the 2.58 acres and house. The value of the remaining 2.5 acres and house would be substantially greater than the remaining taxes and assessment. The lien segregation Ordinance would not be valid if the sale of the 42 acres was not closed within 6 months.

This will be the first time the City has moved an assessment from one parcel to another. But in view of these special circumstances I recommend the Council approve the segregation of the Rock Creek Sewer and Murdock Rd. Local Improvement District liens in the following manner:

Murdock Road LID	Current	32AA:6400 2.58 acres	33:1200 43.54 acres
Principal Balance Principal Pmts Due Interest to 8/1/90 Daily interest rate	\$55,361.54 \$47,838.15 \$25,653.58 14.54		\$52,264.56 \$45,162.03 \$24,218.49 13.73
Rock Creek Sewer LID	Current	32AA:6400 2.58 acres	33:1200 43.54 acres
Principal Balance Principal Pmts Due Interest to 8/1/90 Daily interest rate	\$17,969.53 \$11,045.28 \$ 8,285.82 4.86	\$ 617.88	\$16,964.30 \$10,427.40 \$ 7,822.30 4.59
Total Principal Balance and Interest due 8/1/90		\$6,000.82	\$101,269.65
Payment from sale of 43.54 acres			-\$75,269.65
Balance	\$32,000.82	\$6,000.82	\$26,000.00
Lien Adjustment	+	\$26,000.00	-\$26,000.00
Total	\$32,000.82	\$32,000.82	\$.00

)