



AGENDA

MOLALLA CITY COUNCIL WORK SESSION

March 10, 2021

6:30 PM

Molalla Adult Center

315 Kennel Ave, Molalla, OR 97038

Mayor Scott Keyser

Council President Leota Childress

Councilor Elizabeth Klein

Councilor Terry Shankle

Councilor Jody Newland

Councilor Crystal Robles

Councilor Steve Deller

1. CALL TO ORDER AND ROLL CALL

2. CONSENT AGENDA

A. Meeting Minutes – February 24, 2021

3. DISCUSSION ITEMS

A. Infrastructure Finance Code – 2nd Session (Fisher)

4. ADJOURN



Minutes of the Molalla City Council Work Session

**Molalla Adult Community Center
315 Kennel Ave., Molalla, OR 97038
February 24, 2021**

CALL TO ORDER AND FLAG SALUTE

The Molalla City Council Meeting was called to order by Mayor Scott Keyser at 6:03pm.

COUNCIL ATTENDANCE

Mayor Scott Keyser, Council President Leota Childress, Councilor Elizabeth Klein, Councilor Terry Shankle, Councilor Jody Newland, Councilor Crystal Robles, Councilor Steve Deller.

STAFF IN ATTENDANCE

Mac Corthell, Planning Director; Gerald Fisher, Public Works Director; Christie DeSantis, City Recorder.

CONSENT AGENDA

A motion was made by Councilor Newland to approve the Consent Agenda, seconded by Councilor Robles. Vote passed 7-0.

DISCUSSION

Planning Director Corthell explained that Councilor Deller's election to Council vacated a seat on Planning Commission. The City invited community members to submit applications and three applicants arrived for interviews.

Keith Swigart, Sarah Schoenborn, and Eric Vermillion. Council spoke with each applicant, inquiring of their interest. Council felt that all three applicants would be an asset to Planning Commission.

Public Works Director Fisher brought back Transportation SDC's to Council. This is an extensive project that Council agreed to have completed by June. Mr. Fisher explained in detail that SDC's are based on square footage. He presented calculations for retail stores, grocery stores, drive thru restaurant, restaurant, and schools.

After further questions and discussion, Council agreed that an additional Work Session would be necessary. The next session is scheduled for March 24, 2021.

ADJOURN

The Work Session was adjourned by Mayor Keyser at 6:55pm.

Scott Keyser, Mayor

Date

ATTEST:

Christie DeSantis, City Recorder

Molalla Municipal Code[Up](#)[Previous](#)[Next](#)[Main](#)[Collapse](#)[Search](#)[Print](#)[No Frames](#)[Title 13 PUBLIC SERVICES](#)**Chapter 13.16 ADVANCE FINANCING OF PUBLIC IMPROVEMENTS**

13.16.010 Definitions.

The following are definitions for the purposes of this chapter and for all the purposes of any advance financing agreement entered into pursuant to this chapter and for any actions taken as authorized pursuant to this chapter or otherwise:

“Advance finance agreement” means an agreement between a developer and the City, as authorized by the City Council, and executed by the City Manager, which agreement provides for the installation of and payment for advance financed public improvements and which agreement contains improvement guarantees, provisions for reimbursement by the benefiting property owners who may eventually utilize such improvement, inspection guarantees, and the like, as determined in the best interest of the public by the City Council.

“Advance financing” means a developer’s payment for the installation of one or more public improvements installed pursuant to this chapter which benefiting property owners may utilize upon reimbursing a proportional share of the cost of such improvement.

“Advance financing resolution” means a resolution passed by the City Council and executed by the City Manager designating a public improvement to be an advance financed public improvement and containing provisions for financial reimbursement by benefiting property owners who eventually utilize the improvement and such other provisions as determined in the best interest of the public by the City Council.

“Benefiting property” means that real property benefiting from an advance financed public improvement.

“City” means the City of Molalla.

“City Council” means the City Council of Molalla.

“Developer” means an individual, a partnership, a joint venture, a corporation, a subdivider, a partitioner of land or any other entity, without limitation, who will bear, under the terms of this chapter, the expense of construction, purchase, installation or other creation of a public improvement.

“Development” means that real property being developed by the developer and for which property the advance financing resolution is passed.

“Owner” means the fee holder of record of the legal title to the real property in question. Where such real property is being purchased under a recorded land sales contract, then such purchasers shall also be deemed owners.

“Public improvement” means the following:

1. The construction, reconstruction or upgrading of any water, sanitary sewer or storm sewer system improvements;
2. The grading, graveling, paving or other surfacing of any street, or opening, laying out, widening, extending, altering, or changing the grade for construction of any street;
3. The construction or reconstruction of sidewalks. (Ord. 2004-02 §1)

13.16.020 Receipt of application.

A developer or other person seeking advance financing for a public improvement shall submit an application therefor to the City Manager on a form provided by the City. The application shall be accompanied by a fee set by resolution by the City Council. The fee will be applied against the City’s administrative costs for reviewing and processing the application, including but not limited to analysis of the proposed advance financing project, notice to affected property owners, recording costs and other related costs. (Ord. 2010-01 §1; Ord. 2004-02 §1)

13.16.030 Utility analysis.

Upon receipt of the advance financing application, the City Manager shall make an analysis of the advance financing proposal and shall prepare a report to be submitted to the City Council for its review and a public hearing. The report shall include a map showing the location of the public improvement, and the location, area and front footage of all benefiting properties, including property owned by the applicant. The report shall also include an estimate of the total cost of the advance financed public improvement and the methodology for allocating the cost of the public improvement to benefiting properties consistent with Section [13.16.070](#). (Ord. 2010-01 §2; Ord. 2004-02 §1)

13.16.040 Public hearing.

Within a reasonable time after the City Manager has completed his or her analysis, an informational public hearing shall be held in which all parties and the general public shall be given the opportunity to express their views and ask questions pertaining to the proposed advance financed public improvement. Since advance financed public improvements do not give rise to assessments, the public hearing is for information purposes only, and is not subject to mandatory termination due to remonstrances. The City Council has the sole discretion after the public hearing to decide whether an advance financing resolution shall be passed. (Ord. 2004-02 §1)

13.16.050 Notification.

Not less than 10 nor more than 30 days prior to any public hearing being held pursuant to this chapter, the developer and all benefiting property owners shall be notified of such hearing and the purpose thereof. Such notification shall be accomplished by mail. Notice shall be made on the date that the letter of notification is posted. Failure of any owner to be so notified shall not invalidate or otherwise affect any advance financing resolution of the City Council's action to approve or not approve the same. (Ord. 2012-10 §1; Ord. 2010-01 §3; Ord. 2004-02 §1)

13.16.060 Advance financing resolutions and agreements.

After the public hearing held pursuant to Section [13.16.040](#), if the City Council desires to proceed with advance financed public improvements, it shall approve the advance financing by resolution. The resolution shall designate the proposed public improvement and provide for the payment of an advance financed reimbursement fee by benefiting property owners pursuant to this chapter. The resolution shall indicate the amount of the reimbursement fee for each benefiting property. The resolution also shall instruct the City Manager to enter into a reimbursement agreement with the applicant to include such guarantee or guarantees as the City Manager deems necessary to protect the public interest and benefiting property owner. The agreement also may include such other provisions as the City Council determines necessary and proper. (Ord. 2012-10 §2; Ord. 2004-02 §1)

13.16.070 Advance finance reimbursement.

A. An advance financing reimbursement fee is imposed on all benefiting property in an amount established in the advance financing reimbursement resolution and shall be collected as set forth in this section.

B. The amount of the advance financed reimbursement fee allocated to each benefiting property shall be calculated as follows:

The total actual cost of the advance financed public improvement, increased by nine percent annual simple interest, or such other percentage that the City Council may set by resolution, multiplied by a percentage of front footage owned by the benefiting property owner of the total front footage of the public improvement, the area of the benefiting property compared to the total area benefitted by the public improvement, or by such other methodology as is approved by the City Council. Future interest rate changes shall not apply ex post facto to previously executed reimbursement agreements.

C. 1. The advance financing reimbursement fee is immediately due and payable by a benefiting property owner upon application for connection to the advance financed public improvement. If connection is made without obtaining the permits required to connect to the public improvement, then the advance financed reimbursement fee is immediately due and payable upon the earliest date that any such permit was required. A permit for connection shall not be issued until the advance-financed reimbursement is paid in full.

2. Notwithstanding the requirement in paragraph [13.16.070\(C\)\(1\)](#) to pay the reimbursement fee prior to connecting to the public improvement, the City Manager may in his or her sole discretion defer payment of the reimbursement fee to a date prior to the issuance of a certificate of occupancy for a structure located on the benefiting property. If the City Manager elects to defer payment under this section, a certificate of occupancy may not be issued until the reimbursement fee is paid in full.

3. Whenever the full and correct advance financed reimbursement has not been paid and collected for any reason, the City Manager shall report to the City Council the amount of the uncollected reimbursement, the description of the real property to which the reimbursement was due and the name or names of the benefiting property owners. The City Council shall then set a public hearing and shall direct the City Manager to give notice of the hearing to each benefiting property owner, either in person or by certified mail. If the City Council determines the reimbursement fee is due and has not been paid, the City Council may authorize such action as it determines appropriate to collect the unpaid amounts. However, the City may not impose a lien against the benefiting property or other property for the unpaid amounts. (Ord. 2010-01 §4; Ord. 2004-02 §1)

[13.16.080 Disposition of advance financed reimbursements.](#)

Pursuant to the terms of the reimbursement agreement, the City shall collect reimbursement fees as provided in Section [13.16.070](#) and forward the amounts to the person responsible for the advance-financed public improvement. The City may retain an amount not less than one percent for the cost of administering the payments. The reimbursement fees shall be delivered to the developer for a period of not more than 10 years from and after the date the applicable advance financing agreement has been executed. Payments will be forwarded by the City within 90 days of receipt of the advance-financed reimbursement fees. The City shall incur no liability for any failure to remit advance financing reimbursement fees pursuant to the requirements of this section. (Ord. 2010-01 §5; Ord. 2004-02 §1)

[13.16.090 Recording.](#)

All advance financing resolutions shall be recorded by the City in the deed records of Clackamas County, Oregon. Such resolutions shall identify the legal description of the development and benefiting properties. Failure to make such recording shall not affect the legality of an advance financing resolution or agreement. (Ord. 2004-02 §1)

[13.16.100 Public improvements.](#)

Public improvements installed pursuant to advance financing agreement shall become and remain the sole property of the city pursuant to the advance financing agreement. (Ord. 2004-02 §1)

[13.16.110 Multiple public improvements.](#)

More than one public improvement may be the subject of an advance financing agreement or resolution. (Ord. 2004-02 §1)

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