77th OREGON LEGISLATIVE ASSEMBLY – 2013 Regular Session STAFF MEASURE SUMMARY

Senate Committee on Rural Communities & Economic Development

REVENUE: Minimal revenue impact, no statement issued FISCAL: Minimal fiscal impact, no statement issued

Action: Do Pass with Amendments to the A-Engrossed Measure. (Printed B-Engrossed)

Vote: 4 - 1 - 0

Yeas: Baertschiger, Close, Prozanski, Roblan

Nays: Burdick

Exc.: 0

Prepared By: Racquel Rancier, Administrator

Meeting Dates: 5/21, 5/30

WHAT THE MEASURE DOES: Prohibits city in Wasco County with population greater than 5,000 from, as condition of approval for partition or subsequent permit to further partition on lands zoned for residential use: assessing charge in lieu of forming local improvement district (LID); assessing prepayment against assessment for future LID; or requiring owner to enter nonremonstrance agreement for future LID. Sunsets July 1, 2023. Declares emergency, effective on passage.

MEASURE: HB 3479 B

CARRIER: Sen. Roblan

ISSUES DISCUSSED:

- Process for forming local improvement district
- 2007 ordinance in The Dalles requiring fee-in-lieu of forming LID and costs charged for partitions
- Actions taken in The Dalles since 2007 ordinance and proposed changes to land use and development ordinance
- Options cities can utilize to fund infrastructure improvements
- Differences in how cities charge telecommunication companies and cable companies for using the public right- of-way

EFFECT OF COMMITTEE AMENDMENT: Replaces measure.

BACKGROUND: Oregon law allows local governments to collect assessments from landowners to pay for local improvements. A local improvement district is a geographic area in which real property is taxed or special assessments are applied to finance local improvements. Common improvements include storm and sanitary sewers, streets, curbs, sidewalks, water lines, and street lighting. The basic principle of special assessment is that it is a charge imposed upon property owners who receive special benefits from an improvement beyond the general benefits received by all citizens of the community. Most Oregon cities require property owners to agree to fund their proportionate share of future improvements when the owner of an underdeveloped property requests approval of a land use action affecting the property, such as a partition or subdivision. Many Oregon cities also require property owners to enter into a non-remonstrance agreement promising not to object to the formation of a local improvement district when a project of sufficient size can be assembled.

The City of The Dalles is located in Wasco County and has a population greater than 5,000. To approve an application for a partition, The Dalles currently requires the applicant to pay a fee-in-lieu of making the improvements based on uniform estimated improvement rates per lineal foot of frontage. Landowners may also choose to make the full improvements themselves if the city has completed an approved engineering design.

House Bill 3479 B would prohibit a city in Wasco County with population greater than 5,000 from assessing a charge in lieu of a LID, a prepayment against a future LID, or requiring a nonremonstrance agreement for the formation of a future LID when the landowner of residential property applies for a partition or a permit to further a partition.