## House Bill 3479

Sponsored by Representative HUFFMAN

## **SUMMARY**

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced.** 

Includes in definition of "system development charge" certain requirements for property owner to obtain city approval of residential infill development application. Removes exclusion from definition of "system development charge" for charge in lieu of local improvement district assessment. Declares emergency, effective on passage.

## A BILL FOR AN ACT

- 2 Relating to city fees; amending ORS 223.299; and declaring an emergency.
- 3 Be It Enacted by the People of the State of Oregon:
- 4 **SECTION 1.** ORS 223.299 is amended to read:
- 5 223.299. As used in ORS 223.297 to 223.314:
- 6 (1)(a) "Capital improvement" means facilities or assets used for the following:
- 7 (A) Water supply, treatment and distribution;
- 8 (B) Waste water collection, transmission, treatment and disposal;
- 9 (C) Drainage and flood control;
- 10 (D) Transportation; or

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- (E) Parks and recreation.
- 12 (b) "Capital improvement" does not include costs of the operation or routine maintenance of capital improvements.
  - (2) "Improvement fee" means a fee for costs associated with capital improvements to be constructed.
  - (3) "Reimbursement fee" means a fee for costs associated with capital improvements already constructed, or under construction when the fee is established, for which the local government determines that capacity exists.
  - (4)(a) "System development charge" means a reimbursement fee, an improvement fee or a combination thereof assessed or collected at the time of increased usage of a capital improvement or issuance of a development permit, building permit or connection to the capital improvement.
    - (b) "System development charge" includes:
  - (A) That portion of a sewer or water system connection charge that is greater than the amount necessary to reimburse the local government for its average cost of inspecting and installing connections with water and sewer facilities.
  - (B) With respect to residential infill development, including minor partitions, a requirement that a property owner, in order to obtain approval of a development application from the city in which the property is situated:
    - (i) Install street improvements along the frontage of the property;
    - (ii) Pay to the city the costs of the street improvements;

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [italic and bracketed] is existing law to be omitted. New sections are in **boldfaced** type.

- (iii) Enter into a nonremonstrance agreement with the city with respect to the future formation of a local improvement district; or
- (iv) Make a prepayment into a fund for the future formation of a local improvement district.
- [(b)] (c) "System development charge" does not include any fees assessed or collected as part of a local improvement district [or a charge in lieu of a local improvement district assessment,] or the cost of complying with requirements or conditions imposed upon a land use decision, expedited land division or limited land use decision.

<u>SECTION 2.</u> This 2013 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect on its passage.