MISSION STATEMENT

The City of Sweet Home will work to build an economically strong community with an efficient and effective local government that will provide infrastructure and essential services to the citizens we serve. As efficient stewards of the valuable assets available, we will be responsive to the community while planning and preparing for the future.

CITY OF SWEET HOME CITY COUNCIL AGENDA

WIFI Passcode: guestwifi

July 24, 2018, 6:30 p.m.
Sweet Home Police Department, 1950 Main Street
Sweet Home, OR 97386

PLEASE silence all cell phones – Anyone who wishes to speak, please sign in.

A. Call to Order and Pledge of Allegiance

B. Roll Call:

Councilor Briana	Councilor Gourley
Councilor Coleman	Mayor Mahler
Councilor Gerson	Councilor Trask
Councilor Goble	

C. Consent Agenda:

a) Approval of Minutes: June 26, 2018 – City Council (pg. 3-6)
b) Approval of Minutes: June 26, 2018 – City Council WS (pg. 7)

D. Recognition of Visitors and Hearing of Petitions:

E. Old Business:

F. New Business:

a) Request for Council Action - Sweet Home City Hall Financing (pg. 8-47)
b) Request for Council Action – City Acceptance of Property (pg. 48-53)

G. Introduction, First and Second Reading of Ordinance Bills

H. Third Reading of Ordinance Bills (Roll Call Vote Required)

a) Ordinance Bill No. 2 for 2017 – Ordinance 1270; An Ordinance Amending Title 17 of the Sweet Home Municipal Code and Declaring a Need for an Expediency Clause (pg. 54-123)

I. Resolutions

a) Request for Council Action – Resolution No. 12 for 2018 – A Resolution Concerning Street Closures and Restrictions. (National Night Out) (pg. 124-130)

The location of the meeting is accessible to the disabled. If you have a disability that requires accommodation, advanced notice is requested by notifying the City Manager's Office at 541-367-8969.

MISSION STATEMENT

The City of Sweet Home will work to build an economically strong community with an efficient and effective local government that will provide infrastructure and essential services to the citizens we serve. As efficient stewards of the valuable assets available, we will be responsive to the community while planning and preparing for the future.

b) Request for Council Action – Resolution No. 13 for 2018 – A Resolution Concerning the Oregon Jamboree, Park Closures, Street Closures and Restrictions. (Oregon Jamboree) (pg.131-157)

J. Reports of Committees:

Administrative & Finance/Property	Goble
Public Safety/Traffic Safety	Briana
Public Works	Mahler
Park and Tree Committee	Trask
Youth Advisory Council	Gourley
Chamber of Commerce	Coleman
Fire District	Trask
Council of Governments	Gerson
Area Commission on Transportation	Briana
Solid Waste Advisory Council	Goble
Ad Hoc Committee on Health (Minutes 06-18-18) (pg.158)	Gourley
Capitol Christmas Tree Committee	Coleman

K. Reports of City Officials:

a) Mayor's Report
b) City Manager's Report
c) Department Director's Reports:
   i. Finance Director
      (1) Finance Monthly Report – June 2018 (pg.159-160)
      (2) Check Register – June (pg. 161-164)
      (3) SHMC Report – June 2018 (pg. 165)
      (4) Revenue vs. Expense Presentation – May 2018
   ii. Library Services Director
   iii. Community and Economic Development Director
   iv. Police Chief
   v. Public Works Director
   vi. City Attorney's Report

L. Adjournment

The location of the meeting is accessible to the disabled. If you have a disability that requires accommodation, advanced notice is requested by notifying the City Manager's Office at 541-367-8969.

SWEET HOME CITY COUNCIL
MEETING MINUTES

July 10, 2018

Mayor Mahler called the meeting to order at 6:30 p.m. in the Sweet Home Police Department. The Pledge of Allegiance was recited.

Staff Present: City Manager Ray Towry, Community and Economic Development Director Jerry Sorte, Library Services Director Rose Peda, Finance Director Brandon Neish, Public Works Director Greg Springman, Police Chief Jeff Lynn and Recording Secretary Julie Fisher.

Visitors Registered to Speak: Cal Steward

Media: Sean Morgan, The New Era
Alex Paul, Albany Democrat Herald

Roll Call:				
	Councilor Briana	P	Councilor Gourley	P
	Councilor Coleman	P	Mayor Mahler	P
	Councilor Gerson	P	Councilor Trask	P
	Councilor Goble	P		

Consent Agenda:

Motion was made to approve the Consent Agenda as submitted. (Goble/Trask) Motion passed with 7 Ayes, 0 Opposed, 0 Absent

Items on the consent agenda are as follows:
Approval of Minutes: June 26, 2018 – City Council

Recognition of Visitors & Hearing of Petition:

Cal Steward
924 Main #5
Sweet Home, OR 97386

Mr. Steward was concerned about the speeding traffic on the alleyway behind A&W. He stated he has reported his concern to the Sweet Home Police Department. He also had a complaint of a deep pothole in the alley. Both items were referred to staff.

Old Business:

New Business:

Report to Council: Cyanotoxins Water Testing Update

Public Works Director Greg Springman and Steven Haney, Project Manager for Jacobs (formally CH2M) gave a presentation to City Council about their efforts to be proactive in the testing for Cyanotoxins, emergency preparations in the case of a positive test and related information addressing the recent positive testing of Cyanotoxins in Salem's water supply. Sweet Home' has tested negative for Cyanotoxins and although Sweet Home's water supply is from a different source than Salem and collected differently, continuous bi-weekly testing will occur throughout the remainder of the year.

Introduction, First and Second Reading of Ordinance Bills:

Introduction:

Request for Council Action – Ordinance Bill No. 2 for 2018; an Ordinance Amending Title 17 of Sweet Home Municipal Code and Declaring a need for an Expediency Clause.

CEDD Sorte introduced Ordinance No. 2 for 2018 explaining the updates to Sweet Home Municipal Code Title 17 only deals with amendments required by SB 1051.

Motion to move Ordinance Bill No. 2 for 2018 to first reading (Gourley/Coleman) 7 Ayes, 0 Opposed.
Ordinance Bill No. 2 moved to first reading.

First Reading:

Ordinance Bill No. 2 for 2018; an Ordinance Amending Title 17 of Sweet Home Municipal Code and Declaring a need for an Expediency Clause.

Community and Economic Development Director Jerry Sorte read in its entirety, Ordinance Bill No. 2 for 2018 – An Ordinance Amending Title 17 of Sweet Home Municipal Code and Declaring a need for Expediency Clause, including Exhibit A and Exhibit B.

Motion to move Ordinance Bill No. 2 for 2018 to second reading (Gourley/Coleman) 7 Ayes, 0 Opposed.
Ordinance Bill No. 2 moved to second reading.

Second Reading:

Ordinance Bill No. 2 for 2018; an Ordinance Amending Title 17 of Sweet Home Municipal Code and Declaring a need for an Expediency Clause.

Community and Economic Development Director Jerry Sorte read by title only, Ordinance Bill No. 2 for 2018 – An Ordinance Amending Title 17 of Sweet Home Municipal Code and Declaring a need for Expediency Clause.

Motion to move Ordinance Bill No. 2 for 2018 to third and final reading on August 24, 2018 (Gourley/Trask) 7 Ayes, 0 Opposed.
Ordinance Bill No. 2 moved to third and final reading on August 24, 2018.

Third and Final Reading of Ordinance Bills: None

Resolutions: None

Committee Reports:

Administration & Finance/ Property Committee	None
Public/Traffic Safety	None
Public Works	None

City Boards/Committees:

Chamber of Commerce	Councilor Coleman the Chamber is gearing up for the Sportsman Holiday event this weekend which includes a parade, Chips and Splinters show, Loggers Olympics and fireworks.

Fire District	None
Park & Tree Commission	Councilor Trask referred to the minutes included in the packet.
Y.A.C.	None
Ad Hoc Committee Community Healthcare	Councilor Gourley referred to the minutes in the packet.
Capitol Christmas Tree	Councilor Coleman announced events on November 9th including a parade, free concert and fair.

Regional Boards/Committees:

Area Commission on Transportation (ACT)	None
COG	Councilor Gerson reported the next meeting will be in September and asked the Council permission to bring up the recycling crisis issue at the next meeting. Council agreed.
Solid Waste Advisory Council (SWAC)	None. Mayor Mahler added on the topic of recycling that a task force would be created to meet with Sweet Home Sanitation regarding the recycling crisis and report to the full Council. Councilors Gerson, Briana and Goble were assigned to the task and will meet on Tuesday, July 17th at 4pm. The location has yet to be determined.

Mayor's Report — Mayor Mahler announced the Sportsman Holiday events this coming weekend and hoped for a safe weekend.

City Manager's Report — City Manager Towry announced he will be out of the office at the OCCMA City Manager's Conference until Friday. City Manager Towry gave the Council a preview of the Oregon Jamboree Application Packet that will be part of the August 24th Council packet and an outline of request difference compared to past applications. He requested Council submit any questions they have to him by August 17th so staff will have time to research and provide answers so the Council can make a decision on August 24th.
City Manager Towry reported S|EA should have engineered plans for the new City Hall soon.
A reminder to Council about the upcoming November election was given along with information to file for candidacy.

Department Directors Reports:

Finance Director	Finance Director Neish reported 87 accounts are scheduled for shut-off.
Library Director	Library Services Director Peda announced the next Summer Reading Program, Oregon Rocks.
Community and Economic	

Development Director	Community and Economic Development Director Jerry Sorte reported the department is receiving many Planning Applications.
Police Chief	Chief Lynn reported a Officer Wingo and Officer Cummings have both been promoted to Sargent. Police Chief Lynn handed out statistics for the department for review. The Police Department will again take part in the Special Olympics run and help to pass the torch to the Lebanon Department.
Public Works	Public Works Director Springman referred to the memo handed out to Council which listed the top 10 tasks as tracked thru 311. PWD Springman reported Dean LeBret passed his Level 3 Certificate.
City Attorney	None

Adjournment: With no further business the meeting adjourned at 8:06 PM.

The foregoing is a true copy of the proceedings of the City Council at the June 26, 2018 regular City Council Meeting.

_____
Mayor

ATTEST:

_____
City Manager – Ex Officio City Recorder

SWEET HOME CITY COUNCIL
SPECIAL MEETING WORK SESSION MINUTES

July 10, 2018

The City Council Work Session was opened at 5:00 p.m. at the Sweet Home Police Department.

Roll Call:	Councilor Briana	P	Councilor Gourley	P
	Councilor Coleman	P	Mayor Mahler	P
	Councilor Gerson	P	Councilor Trask	P
	Councilor Goble	P		

Staff: Finance Director Brandon Neish, Community and Economic Development Director Jerry Sorte, City Attorney Robert Snyder, Police Chief Jeff Lynn, Library Services Director Rose Peda, Public Works Director Greg Springman, City Manager Ray Towry and Recording Secretary Julie Fisher.

Media: Sean Morgan, The New Era
Alex Paul, Albany Democrat Herald

The purpose of the meeting was to review committees, their purpose and relevance. Staff presented Council with a list of ad hoc committees, city committees, and non-city committees where Council members serve as liaisons. Council request staff revise the information on the committees to include which committees are mandated per ORS or state or federal law and which committees have been formed by Council. Staff will bring additional information back to the Council for a Work Session to be scheduled in August at a date to be determined.

The meeting adjourned at 6:26 p.m.

The foregoing is a true copy of the proceedings of the City Council at the July 10, 2018 City Council Work Session Meeting.

_____
Mayor

ATTEST:

_____
City Manager Pro Tem – Ex Officio City Recorder

REQUEST FOR COUNCIL ACTION

PREFERRED AGENDA:	TITLE:	TYPE OF ACTION:
July 24, 2018	Funding options for City Hall project	__ RESOLUTION
SUBMITTED BY:		__ MOTION
Brandon Neish, Finance Director	**ATTACHMENTS:**	X OTHER
REVIEWED BY:	Debt Service Options	
Ray Towry, City Manager	LOC Guide to Borrowing	

PURPOSE OF THIS RCA:
To discuss the various options for funding the construction of the new City Hall facility and reach Council consensus on a path forward.

BACKGROUND/CONTEXT:
During the 2017 fiscal year, City Council approved the purchase of the former Forest Service building located at 3225 Main Street for $725,000 to be remodeled for a new City Hall. In January 2018, the Council entered into a contract with Scott Edwards Architecture to design the new City Hall. Those designs have been completed by S|EA and approved by the Council March 13, 2018. Staff expects to receive bid documents and engineered plans soon. Council should expect to see a request to put the project out for bid thereafter.

The renovation and upgrade costs are estimated at +/- $1.1 million per the S|EA estimate. The city has $360,000 available for this project in the Building Reserve fund. It will be up to the Council to determine the appropriate funding method to furnish the remaining funds. As a precursor to this decision, city staff proposed, and the Council adopted, an appropriation for a potential transfer from the Water Depreciation fund in the event that the City Council chose to fund the project using an inter-fund loan. Having this funding in the adopted budget prevents the city from having to complete a supplemental budget process requiring a separate public hearing and resolution by the Council. The adoption of this budget authority does not by any means authorize this method of financing, it simply makes it an option to the Council. Other options include a General Obligation bond, or a bond backed by the full faith and credit of the city. All of these options are outlined in the included “Debt Service Options” attachment for review and consideration.

THE CHALLENGE/PROBLEM:
How does the Council want to fund the City Hall construction estimated to cost +/-$1.1 million?

STAKEHOLDERS:
- State of Oregon – The Oregon Constitution, Article XI and other Oregon Revised Statutes outlines the borrowing capability of municipalities which includes general obligation bonds, full faith and credit bonds and revenue bonds. Oregon Local Budget law also authorizes the use of inter-fund loans within a municipality.
- City of Sweet Home tax and rate payers – Sweet Home constituents are excited about the prospects of a new City Hall facility. With all of these options, constituents are providing the funding necessary, either directly or indirectly through property taxes, to repay the loan or bond making them a vital part of this project.
- City of Sweet Home City Council – The City Council must choose which funding option is going to be best for the city both in the short and long-term. Short-term, the chosen

funding option could determine when the project can begin. Long-term, the chosen funding option will need to be repaid thereby tying up future city resources until completed.

ISSUES & FINANCIAL IMPACTS:

Each funding option presents its own pros and cons. For example, transferring funds from the Water Depreciation fund could hamper the city's ability to quickly respond to a crisis with its drinking water as the depreciation fund exists to account for monies set aside for water related capital projects. However, given the age of the current plant, there should be minimal need for major replacement funds in the next ten years (statutory maximum length of inter-fund loan). The GO Bond option requires going out to the voters to approve which extends the project's projected timeline but brings in additional revenue from a property tax to repay the bond which frees up available budget resources and reserves. The full faith and credit bond leaves current reserve funds intact while utilizing current expenditure authority while possibly resulting in a higher interest rate.

ELEMENTS OF A STABLE SOLUTION:

The ultimate goal of this project is to complete construction on a City Hall facility that constituents and visitors can use and enjoy for many decades to come. Options 2-7 accomplish this goal by providing the necessary funding to move forward with the project.

OPTIONS:

1. *Do Nothing*. Council could choose to do nothing at this time ensuring the project is delayed as funding would not exist to fully complete it during this fiscal year.

2. *Request that staff prepare to obtain a General Obligation bond with a 10-year repayment schedule*. A General Obligation bond needs to be passed by the voters before bonds can be sold on either the public or private market. Once the bonds are approved and sold, the project can continue. A 10-year General Obligation bond would likely carry an interest rate of 2.44% (at current rates) and require a property tax levy that generates $85,429 annually. This equates to $.1407 per $1,000 real market value (RMV) or $26.98 per household (based on average RMVs in Sweet Home). The city would pay $104,286 in interest over the life of the bond. Estimated expenses for a 10-year GO bond are as follows:

Expense	**Amount**
Bond	$750,000
Interest (2.44%)	$104,286
Bond sale consulting (2.39% of bond)	$17,925
Total cost to city	**$872,211**

Year	Beginning Balance	Payment	Principal	Interest	Ending Balance	Cumulative Interest
1	$750,000.00	$85,428.60	$67,128.60	$18,300.00	$682,871.40	$18,300.00
2	$682,871.40	$85,428.60	$68,766.54	$16,662.06	$614,104.86	$34,962.06
3	$614,104.86	$85,428.60	$70,444.44	$14,984.16	$543,660.42	$49,946.22
4	$543,660.42	$85,428.60	$72,163.29	$13,265.31	$471,497.13	$63,211.53

5	$471,497.13	$85,428.60	$73,924.07	$11,504.53	$397,573.06	$74,716.06
6	$397,573.06	$85,428.60	$75,727.82	$9,700.78	$321,845.24	$84,416.85
7	$321,845.24	$85,428.60	$77,575.58	$7,853.02	$244,269.66	$92,269.87
8	$244,269.66	$85,428.60	$79,468.42	$5,960.18	$164,801.24	$98,230.05
9	$164,801.24	$85,428.60	$81,407.45	$4,021.15	$83,393.79	$102,251.20
10	$83,393.79	$83,393.79	$81,358.98	$2,034.81	$0.00	$104,286.01

3. *Request that staff prepare to obtain a General Obligation bond with a 30-year repayment schedule*. A 30-year General Obligation bond would likely carry an interest rate of 2.98% (at current rates) and require a property tax levy that generates $38,166 annually. This equates to $.0628 per $1,000 real market value (RMV) or $12.05 per household (based on average RMVs in Sweet Home). The city would pay $394,968 in interest over the life of the bond. Estimated expenses for a 30-year GO bond are as follows:

Expense	**Amount**
Bond	$750,000
Interest (2.98%)	$394,968
Bond sale consulting (2.39% of bond)	$17,925
Total cost to city	**$1,162,893**

Year	Beginning Balance	Payment	Principal	Interest	Ending Balance	Cumulative Interest
1	$750,000.00	$38,165.59	$15,815.59	$22,350.00	$734,184.41	$22,350.00
2	$734,184.41	$38,165.59	$16,286.89	$21,878.70	$717,897.52	$44,228.70
3	$717,897.52	$38,165.59	$16,772.24	$21,393.35	$701,125.28	$65,622.04
4	$701,125.28	$38,165.59	$17,272.05	$20,893.53	$683,853.23	$86,515.57
5	$683,853.23	$38,165.59	$17,786.76	$20,378.83	$666,066.46	$106,894.40
6	$666,066.46	$38,165.59	$18,316.81	$19,848.78	$647,749.66	$126,743.18
7	$647,749.66	$38,165.59	$18,862.65	$19,302.94	$628,887.01	$146,046.12
8	$628,887.01	$38,165.59	$19,424.75	$18,740.83	$609,462.26	$164,786.95
9	$609,462.26	$38,165.59	$20,003.61	$18,161.98	$589,458.64	$182,948.93
30	$37,061.16	$37,061.16	$35,956.74	$1,104.42	$0.00	$394,967.62

4. *Request that staff prepare to obtain a full faith and credit bond with a designated repayment schedule*. A full faith and credit bond is repaid using any available resources (that are not restricted) but also means that interest rates could be higher since there is no dedicated source of revenue for repayment. Interest rates could range between 3-5% at current rates. At 4%, annual payments would total $43,373 over 30 years. Using the $80,000 budget currently allocated for this project, the city could obtain a 12-year bond.

5. Request that staff prepare an inter-fund loan, interest free, with a 10-year repayment schedule. Oregon Local Budget law states that municipalities can, by Council resolution, borrow funds from another fund to pay for either operational or capital needs. Operational loans must be repaid in the next fiscal year (and included in the budget process) while capital loans can be repaid over ten years (maximum allowed). The city would pay $75,000 from the General Fund annually to repay the loan with no benefit to the loaning fund and no additional costs to the General Fund.

6. Request that staff prepare an inter-fund loan with current LGIP interest rate in accordance with ORS to be repaid over ten years. Oregon Local Budget law states that municipalities can, by Council resolution, borrow funds from another fund to pay for either operational or capital needs. The ORS states the city can borrow the funds at the current interest rate in the investment pool (2.16% in June 2018) or at a rate established by the Council. Under this proposal, annual payments would total $84,195. The loaning fund would benefit from interest revenue totaling $91,954 over the life of the loan.

Year	Beginning Balance	Payment	Principal	Interest	Ending Balance	Cumulative Interest
1	$750,000.00	$84,195.39	$67,995.39	$16,200.00	$682,004.61	$16,200.00
2	$682,004.61	$84,195.39	$69,464.09	$14,731.30	$612,540.52	$30,931.30
3	$612,540.52	$84,195.39	$70,964.52	$13,230.88	$541,576.00	$44,162.17
4	$541,576.00	$84,195.39	$72,497.35	$11,698.04	$469,078.65	$55,860.22
5	$469,078.65	$84,195.39	$74,063.29	$10,132.10	$395,015.36	$65,992.32
6	$395,015.36	$84,195.39	$75,663.06	$8,532.33	$319,352.30	$74,524.65
7	$319,352.30	$84,195.39	$77,297.38	$6,898.01	$242,054.92	$81,422.66
8	$242,054.92	$84,195.39	$78,967.00	$5,228.39	$163,087.91	$86,651.04
9	$163,087.91	$84,195.39	$80,672.69	$3,522.70	$82,415.22	$90,173.74
10	$82,415.22	$82,415.22	$80,635.05	$1,780.17	$0.00	$91,953.91

7. Request that staff prepare an inter-fund loan at an interest rate of 1.19% in accordance with ORS to be repaid over ten years. Oregon Local Budget law states that municipalities can, by Council resolution, borrow funds from another fund to pay for either operational or capital needs. The ORS states the city can borrow the funds at the current interest rate in the investment pool (2.16% in June 2018) or at a rate established by the Council. At 1.19%, the city would pay $80,000 annually (currently budgeted in the

General Fund) until the loan is repaid. Additionally, the loaning fund would benefit from $50,000 in additional revenue from interest earnings.

Year	Beginning Balance	Payment	Principal	Interest	Ending Balance	Cumulative Interest
1	$750,000.00	$80,000.00	$71,067.68	$8,932.32	$678,932.32	$8,932.32
2	$678,932.32	$80,000.00	$71,914.08	$8,085.92	$607,018.23	$17,018.23
3	$607,018.23	$80,000.00	$72,770.56	$7,229.44	$534,247.67	$24,247.67
4	$534,247.67	$80,000.00	$73,637.24	$6,362.76	$460,610.43	$30,610.43
5	$460,610.43	$80,000.00	$74,514.24	$5,485.76	$386,096.19	$36,096.19
6	$386,096.19	$80,000.00	$75,401.69	$4,598.31	$310,694.50	$40,694.50
7	$310,694.50	$80,000.00	$76,299.70	$3,700.30	$234,394.80	$44,394.79
8	$234,394.80	$80,000.00	$77,208.41	$2,791.58	$157,186.38	$47,186.38
9	$157,186.38	$80,000.00	$78,127.95	$1,872.05	$79,058.43	$49,058.43
10	$79,058.43	$79,058.43	$78,116.87	$941.57	$0.00	$49,999.99

8. *Direct staff to research and present additional options*.

RECOMMENDATION:

Staff recommends option 7, request that staff prepare an inter-fund loan at an interest rate of 1.19% in accordance with ORS to be repaid over ten years. The most efficient and effective option, this option utilizes the current budget adopted by the City Council for the 2018-2019 fiscal year ($80,000 transfer to the Building Reserve fund) and ensures that the loaning fund receives a little additional bonus for fronting the money. This option would also allow the construction phase to begin as soon as a general contractor is chosen (as early as this fall). Other options presented may extend the timeline for the project.

City of Sweet Home
1140 12th Avenue
Sweet Home, OR 97386
541-367-5128
Fax 541-367-5113
www.ci.sweet-home.or.us

Finance Department

Debt Service Options

The city is prepared to begin construction on the recently acquired, former Forest Service building that will become the new City Hall. Scott | Edwards Architecture (S|EA) was selected to provide initial drawings on how the facility could be constructed to best meet the needs of the city presently and in its future. Now that the Council has approved a design and much of the interior décor, it is time for the city to begin the process to secure funds necessary for the next step of the project.

Presented here are three viable options to secure the necessary financing and the pros and cons associated with each plan. These options come from the League of Oregon Cities and their Guide to Debt Issuance for municipalities based on Oregon law today. This summary document highlights these options and the full guide is provided as well for your review. Additional research was completed to list current interest rates (as of 7/17/2018) and to provide commentary and recommendations. However, the City Council ultimately must decide what is best for the city as we move forward.

Option 1: Inter-fund Loan
Oregon law allows for a municipality to establish a loan from one fund to another for either operating or capital needs so long as it is authorized by ordinance or resolution passed by City Council. This is generally the fastest option to finance projects. In this instance, the city is looking to obtain a loan from the Water Depreciation fund to be moved to the Building Reserve fund to cover the projected costs of the City Hall renovation. Currently, the city has approximately $320,000 of an estimated $1.1 million project. City staff recommends a loan of $750,000 to cover necessary costs.

For the past two years, the General Fund has transferred $80,000 to the building reserve in anticipation of this project. Under this scenario, these transfers would continue but instead would go to the Water Depreciation fund for nine (9) years. In the tenth year, the General Fund would need to transfer $30,000 to complete repayment of the loan. During Budget Committee deliberations, discussion ensued regarding an interest-bearing loan. ORS does outline that the Council can consider an interest rate either equal to the distribution in the Local Government Investment Pool (LGIP) or any other rate authorized by the Council. Below is a chart depicting a loan based on the current LGIP rate of 2.16%.

<u>Legal authority:</u>

ORS 294.468(1) - It shall be lawful to loan money from any fund to any other fund of the municipal corporation whenever the loan is authorized by official resolution or ordinance of the governing body. The loans shall be made in compliance with the applicable requirements and limitations of this section.

ORS 294.468(2)(b) - If the interfund loan is a capital loan, set forth a schedule under which the principal amount of the loan, together with interest thereon at the rate provided for in

paragraph (c)(B) of this subsection, is to be budgeted and repaid to the lending fund. The schedule shall provide for the repayment in full of the loan over a term not to exceed 10 years from the date the loan is made.

ORS 294.468(c) - If the interfund loan is a capital loan, provide that the loan shall bear interest at an annual rate equal to: (A) The rate of return on moneys invested in the investment pool under ORS 294.805 (Definitions for ORS 294.805 to 294.895) to 294.895 (Board duties, generally), as reported under ORS 294.875 (Monthly report of investments of pool funds), immediately prior to the adoption of the ordinance or resolution authorizing the loan; or (B) Such other rate as the governing body may determine.

Option 2: General Obligation (GO) Bond

Option 2 comes from the League of Oregon Cities document outlining various financing options for municipalities. Solidified in the Oregon Constitution under Article XI, Sweet Home can borrow up to 3% of real market property value in the city limits. As of the previous tax year, RMV totaled $607,333,083 which would allow the city to borrow up to $18.2 million at any given time. Currently, the city has no GO bonds outstanding. GO bonds are best for long-term, fixed rate financing but can be issued as short-term, variable rate bonds as well. Outside of the inter-fund loan, this option is generally the cheapest option for cities looking to "finance city assets that do not directly generate revenues, such as libraries and city halls."

The benefit of a GO bond is that, in terms of outside financing, this is generally the cheapest option. Additionally, the city is not leveraging its own resources should there be an emergency that requires funds in the future. However, GO bonds require voter approval because they utilize property taxes to repay the bond. Depending on timing, this can take a significant amount of time to go out for voter approval, be certified by the county, hire bond counsel and sell the bonds. If Council chose this option, staff could prepare the necessary paperwork to include a vote on a bond for the November ballot and would likely sell the bonds in the first quarter of 2019. Once the bonds have sold, the project could then begin likely delaying construction to the summer of 2019.

Estimated costs associated with this option include an estimated 3.0% interest rate requiring the city to pay $852,251 over ten years on a $750,000 bond. Current interest rates on a 10-year bond are 2.44% while a 30-year bond is 2.98% ($1.14 million repayment with smaller annual payment). In addition to the actual bond repayment, the city would need to hire bond counsel (an attorney specific for this process) as well as the services of a financial institution who would hold/sell the bonds. According to a study by UC Berkley[1], the average issuance costs of a municipal bond less than $10 million was 2.39%. At $750,000, that would amount to $17,925 in additional costs. On our ten-year bond, our costs have now gone from $852,251 to $870,176, a 16% increase from the original $750,000 need.

[1] http://haasinstitute.berkeley.edu/sites/default/files/haasinstituterefundamerica_doublybound_cost_of_issuingbonds_publish.pdf

Option 3: Full faith and credit bond
The last option is a full faith and credit bond. In simple terms, this is a loan from a state or federal agency. This is similar to the loan the city is obtaining to rehabilitate the Wastewater Treatment Facility except that loan is backed by revenue generated from user fees. Full faith and credit bonds do not require voter approval and may or may not carry a higher interest rate since there is no specific source for repayment. With a GO bond, repayment is done using an additional property tax excluded from constitutional requirements whereas these bonds are repaid using any unrestricted means. The costs associated with a GO bond are also required here in that the city would need to hire bond counsel and the services of a financial institution to sell the bonds.

Legal authority:

ORS 287A.315(1) - A public body may pledge its full faith and credit and taxing power when the public body issues: (b) An obligation that is secured by all lawfully available funds of the public body.

ORS 287A.315(2) - When a public body pledges its full faith and credit and taxing power to pay an obligation, the pledge constitutes an enforceable promise or contract by the public body: (a) To pay the obligation out of lawfully available funds of the public body; and (b) If lawfully available funds are insufficient to pay when due the amounts owing on the obligation, to levy, impose and collect a tax that is within the authority of the public body to levy, impose and collect in an amount sufficient to pay the amounts owing under the obligation, including past due amounts and penalties.

LEAGUE OF OREGON CITIES

GUIDEBOOK

GUIDE TO BORROWING AND BONDS FOR OREGON MUNICIPALITIES

MARCH 2018

Prepared by the law firm of Hawkins Delafield & Wood, LLP and the investment bank and asset management firm of Piper Jaffray & Co.

LEAGUE of Oregon CITIES

FOREWORD

Oregon cities have the power to borrow money in a variety of ways for a variety of purposes. This guide attempts to explain those differences, and in the process help cities select and use a borrowing method that will help meet their goals.

This guide was written and prepared by the law firm of Hawkins, Delafield & Wood LLP and the investment bank and asset management firm of Piper Jaffray & Co. Several employees of these two firms generously donated their time and expertise to the League, and its member cities, in the production of this guide. The League sincerely thanks both firms, and extends its gratitude to Jennifer Cordova, Sarah Dickey, Gulgun Mersereau and Lauren MacMillan.

Jennifer Cordova is a tax attorney and partner with the law firm of Hawkins Delafield & Wood LLP. Her experience includes acting as tax counsel in connection with the issuance of many types of tax-exempt and tax-advantaged financings, advising clients with respect to post-issuance tax compliance issues, including private use, arbitrage and rebate, and assisting clients undergoing IRS audits of bond transactions. Jennifer has also represented clients in other proceedings before the Internal Revenue Service and is an active member of the National Association of Bond Lawyers. She received her BA from the Millersville University (Pennsylvania) and her law degree from the University of Pennsylvania. Jennifer can be reached at jcordova@hawkins.com or (503) 402-1326.

Sarah Dickey is a bond attorney at the law firm of Hawkins Delafield & Wood LLP. She serves as bond counsel for local governments throughout the State of Oregon, including many cities and urban renewal agencies. Sarah has experience with a wide variety of types of financings, including general obligation bonds, revenue bonds (including tax increment financings), refundings, and full faith and credit borrowings. Sarah is an active member of the Oregon Government Finance Officers Association and serves on its Education Committee. She received her BA from the University of Oregon and her law degree from the University of San Diego. Sarah can be reached at sdickey@hawkins.com or (503) 402-1332.

Gulgun Mersereau is an experienced bond attorney and a partner at the law firm Hawkins Delafield & Wood LLP. Her clients include a great many Oregon cities large and small, located throughout the state, from Prineville to Roseburg, Klamath Falls to Hillsboro, John Day to Eugene and many in between. Gulgun also has a specialty in tax increment financing and represents the urban renewal agencies of many of her city clients. In addition to her legal practice, Gulgun served on the governor-appointed Tax Supervising and Conservation Commission and on the board of directors of the Oregon Government Finance Officers Association and the education committee for that association. Many moons ago she received both her BA and a law degree from UCLA. Gulgun can be reached at gmersereau@hawkins.com or (503) 402-1325.

Lauren MacMillan joined Piper Jaffray in 2009 and currently specializes in working with Oregon cities, counties, school districts and community colleges to determine the short-term and long-term financing strategies which meet their needs. She began working in the public finance industry in 2006. Lauren is genuinely committed to Oregon's public finance community. She

has regularly presented at conferences on a variety of topics, including continuing disclosure, refundings, bond basics, local option, Oregon's property tax system and hot topics in bonds. She currently serves as the Associate Board Member for the Oregon Association of School Business Officials (OASBO), chairs the OASBO Associate Committee and is a member of the Oregon Government Finance Officers Association (OGFOA) Hospitality Committee and the OASBO Professional Development Committee. Prior to joining Piper, Lauren was a public finance associate with Stone & Youngberg in Phoenix, Arizona. She graduated from the University of Arizona with a bachelor's degree in finance and a bachelor's degree in French. She holds her Series 50, Series 52 and Series 63 securities licenses.

DISCLAIMER

Any guide provided by the League is intended to be used as a starting point in an individual city's understanding of municipal responsibilities and opportunities. Each city is unique, and any policy or plan should be individually tailored to meet a city's unique needs. This guide is not intended as a substitute for legal advice. Cities should consult with legal counsel before taking any action related to borrowing and/or bonding.

Table of Contents

Differences Between City Borrowing & Private Borrowing

Most readers will have borrowed money at some time in their lives. For example, individuals commonly borrow money to finance their education, a vehicle or a home. Private businesses often borrow money as well. Individuals and businesses most commonly borrow directly from banks or other financial institutions. Only large, credit-worthy businesses borrow by selling bonds or other obligations in the public securities market, and individuals never do that.

Oregon cities can, and often do, borrow from commercial banks. But even small cities may borrow by selling bonds in the public securities market.

Individuals and businesses usually secure their loans with every asset they have. A city, on the other hand, commonly limits the security for its borrowings to ensure that the city will be able to continue to provide essential public services if the city encounters financial difficulties.

Oregon cities can often issue "tax-exempt" bonds. If a bond is "tax-exempt," the federal government doesn't tax the interest income that investors receive, so investors are willing to accept a lower interest rate than is typically available to individuals and businesses.

Even the terminology is different; individuals and businesses say they will "get a loan" when they need to borrow money, but cities typically say they will "issue a bond."

What is a "Bond?"

Formally a "bond" is simply the written promise of a city to pay a specified principal amount on a specified date, together with interest. Historically, investors received certificates printed on fancy paper with embossed seals. These were called "bearer bonds." Owners of bearer bonds had to clip the interest coupons off and send them in to get paid the interest, and they had to send the bond itself in to get paid the principal. Federal law changed to prohibit bearer bonds, and now bond ownership and payment is handled electronically.

Informally, "bond" can refer to any borrowing of a city.

Bonds typically pay interest every six months, and principal every year. If a city issues $2 million in principal amount of bonds, a portion of the principal would be due each year, so that the annual debt service over the life of the bonds was about the same. The principal and interest payments on a ten-year, $2 million bond might look like this:

Payment Date	Principal	Interest Rate	Interest Payment	Debt Service	Annual Debt Service
12/01/17			$ 40,000.00	$ 40,000.00	
06/01/18	$ 165,000.00	4.0%	40,000.00	205,000.00	$ 245,000.00
12/01/18			36,700.00	36,700.00	
06/01/19	175,000.00	4.0%	36,700.00	211,700.00	248,400.00
12/01/19			33,200.00	33,200.00	
06/01/20	180,000.00	4.0%	33,200.00	213,200.00	246,400.00
12/01/20			29,600.00	29,600.00	
06/01/21	185,000.00	4.0%	29,600.00	214,600.00	244,200.00
12/01/21			25,900.00	25,900.00	
06/01/22	195,000.00	4.0%	25,900.00	220,900.00	246,800.00
12/01/22			22,000.00	22,000.00	
06/01/23	205,000.00	4.0%	22,000.00	227,000.00	249,000.00
12/01/23			17,900.00	17,900.00	
06/01/24	210,000.00	4.0%	17,900.00	227,900.00	245,800.00
12/01/24			13,700.00	13,700.00	
06/01/25	220,000.00	4.0%	13,700.00	233,700.00	247,400.00
12/01/25			9,300.00	9,300.00	
06/01/26	230,000.00	4.0%	9,300.00	239,300.00	248,600.00
12/01/26			4,700.00	4,700.00	
06/01/27	235,000.00	4.0%	4,700.00	239,700.00	244,400.00
	$ 2,000,000.00		$ 466,000.00	$ 2,466,000.00	$ 2,466,000.00

This example shows roughly equal annual debt service payments, but cities have many options in how they structure the repayment schedule. The structure should match the revenues the city intends to use to pay the bonds.

Why Might a City Need a Bond?

A city might need a bond for the same reasons that an individual or business most often needs to borrow money: the city may need to pay for something, and does not have the cash available to pay for it.

Cities may also borrow for other reasons, including:

1. The city may be borrowing for a capital asset that will provide services to its citizens for many years, and the city may feel it is appropriate to spread the cost of acquiring the asset over the useful life of the asset, so that cost is also paid by future citizens who benefit from the asset, rather than just current residents.

2. If the city's borrowing costs are low enough, it may be less expensive to borrow and acquire an asset immediately, rather than waiting and having inflation drive up the cost of the asset.

What Types of Bonds Are There?

The three main categories of bonds that Oregon cities use are:

1. General obligation bonds. General obligation bonds are usually issued as long-term, fixed-rate bonds, but they can be issued as short-term bonds, or variable rate bonds.

2. Full faith and credit bonds. Full faith and credit bonds are used to finance many city projects that do not have their own revenue streams; they are almost always used to finance local improvement projects, and they are often used when a city borrows from a state agency.

3. Revenue bonds. Revenue bonds come in many types, including sewer, water or electric utility revenue bonds, urban renewal or "tax-increment" bonds and conduit revenue bonds for private projects.

I. General Obligation Bonds

A. What They Are

In Oregon, city general obligation bonds are bonds that are secured by the power of the city to levy an additional property tax, outside of constitutional limits, that is sufficient to pay the bonds. This tax is dedicated solely to pay the bonds, and cannot be used by the city for other purposes. The amount and rate of the tax are said to be "unlimited" because a city may levy whatever amount is necessary to collect enough taxes to pay the bonds.

Because the property tax system is considered to be very reliable and stable, and the taxes that can be levied to pay the bonds are not limited, general obligation bonds are regarded as very secure and are usually the least expensive way for a city to borrow money.

Although the property taxes a city imposes to pay general obligation bonds are not limited, a city's ability to issue general obligation bonds is substantially limited by the Oregon Constitution and statutes. General obligation bonds must be approved by the city's voters and can only finance "capital costs." In addition, the "lending of credit" provision of the Oregon Constitution prevents general obligation bonds from being used to finance certain kinds of projects with substantial involvement by private businesses.

B. Typical Uses

Because general obligation bonds come with the authority to levy an additional property tax that is sufficient to pay the bonds, they can be used by cities that cannot afford to repay bonds from existing revenue streams. Oregon cities often use general obligation bonds to finance city assets that do not directly generate revenues, such as libraries and city halls.

General obligation bonds may also be used to finance revenue-generating facilities. A city might ask its voters to approve general obligation bonds for a revenue-generating project because: (a) the city believes that property taxpayers, rather than users of the facilities, should pay some or

all of the debt service on the bonds, or (b) the city might plan to pay the bonds from revenues, but want the lower borrowing cost that is available from general obligation bonds.

For example, if the city's voters approve general obligation bonds for a water treatment plant, the city may choose to pay all or part of the debt service from property taxes, or choose to pay all or part of the debt service from water revenues. Such a structure would help the city obtain the lowest cost of financing and keep user fees lower than simply borrowing as a revenue bond.

C. Legal Limits

The Oregon Constitution requires:

1. Voter Approval. The issuance of general obligation bonds must be approved by a majority of the city's voters who vote at that election ("simple majority" approval), at an election held in May or November,[1] or at another election at which a majority of registered voters cast ballots ("double majority" approval).[2] As a practical matter, a majority of registered voters infrequently cast ballots at city elections, so general obligation bond elections are usually held in May or November.

2. Capital Costs. General obligation bonds may only be issued to finance "capital costs."[3] Capital costs are defined as costs of land and of other assets having a useful life of more than one year, including costs associated with acquisition, construction, improvement, remodeling, furnishing, equipping, maintenance or repairing real or personal property that has a useful life of more than one year. The Oregon Constitution also specifically states that "capital costs" does not include costs of routine maintenance or supplies.[4]

3. Limit on Term of Bonds. The weighted average maturity of general obligation bonds may not exceed the weighted average life of the capital costs that are financed with those bonds.[5] This means that cities cannot issue long-term bonds to finance short-lived assets (i.e. cannot use all of the proceeds of bonds that mature over 30 years to finance computers that have a useful life of five years). However, because the limit is based on averages, it rarely affects bond issues that finance a variety of projects, including long-life assets such as land or buildings.

Oregon election laws require that the ballot measure approving the bonds state, in clear and simple language, the amount of the bonds that will be authorized, the purposes for which the bond proceeds will be spent, and that property taxes may increase. Oregon election laws do not require the ballot to contain an estimate of the taxes or tax rates that will be imposed to pay the bonds, but estimates are commonly included in the ballot.

[1] Oregon Constitution, Article XI, Section 11k.
[2] Oregon Constitution, Article XI, Section 11(8).
[3] The ability to spend general obligation bond proceeds on capital costs was approved by Oregon voters in May of 2010. It effectively replaces a more complicated provision in Article XI, Section 11b of the Oregon Constitution that voters approved in 1990, and that required proceeds of general obligation bonds only be spent on "capital construction and improvements."
[4] Oregon Constitution, Article XI, Section 11L(1) and (5).
[5] Oregon Constitution, Article XI, Section 11L(4).

ORS 287A.050 limits the total amount of general obligation bonds that a city has outstanding to three percent of the city's real market value. However, the limit does not apply to general obligation bonds that finance local improvement district improvements, water supply, treatment or distribution; sanitary or storm sewage collection or treatment; hospitals or infirmaries; gas, power or lighting; or off-street motor vehicle parking facilities. The limitation is quite generous and most cities do not issue enough bonds to be close to this limit.

City charters may place additional limits on city bond issues, although it is rare for a city charter to impose limits on general obligation bonds that exceed the limits in the Oregon Constitution and statutes that apply to general obligation bonds.

Article XI, Section 9 of the Oregon Constitution says "No… city…, by vote of its citizens, or otherwise, shall… raise money for, or loan its credit to, or in aid of, any [joint] company, corporation or association." This poorly understood provision of the Oregon Constitution prevents cities from using general obligation bonds to finance certain kinds of projects that involve corporations or other artificial entities such as most private businesses.

II. Full Faith & Credit Bonds

A. What They Are

In Oregon, full faith and credit bonds are secured by a pledge of the city's full faith and credit. Pledging the full faith and credit is specifically authorized by ORS 287A.315. Such a pledge commits the city to pay the bonds from all lawfully available funds of the city, and any taxes that are within the authority of the city to levy.

The Oregon Constitution imposes strict limits on the ability of cities to impose property taxes. Almost all cities have a "permanent rate" which is a rate of property taxes that the city may impose each year within the limits of Article XI, Sections 11 and 11b of the Oregon Constitution, without additional voter approval. Revenues from permanent rate levies must be used to pay full faith and credit bonds if other sources are not available. However, unlike general obligation bonds, full faith and credit bonds are not secured by the power to levy a property tax outside the limits of Article XI, Sections 11 and 11b of the Oregon Constitution.

Cities also may have local option levies. These levies are limited to five or ten years and are compressed first if the city's taxes are compressed (reduced) by Article XI, Section 11b of the Constitution. That provision limits taxes (other than general obligation bond taxes) for non-school purposes to $10/$1,000 of real market value. Because of their short term and compression risk, local option levies may not provide substantial security for full faith and credit bonds.

Cities may also impose gas taxes, income taxes, sales taxes and other taxes that may generate revenues to secure full faith and credit bonds. The full faith and credit pledge allows a city to use a basket of revenues to secure or repay the debt, rather than one revenue stream as with revenue bonds.

Because full faith and credit bonds are secured by the existing taxes and other legally available money of the city, full faith and credit bonds typically bear favorable interest rates, but higher interest rates than general obligation bonds.

The "lending of credit" provision of the Oregon Constitution[6] applies to full faith and credit bonds as well as general obligation bonds, and prevents use of full faith and credit bonds for certain kinds of projects with substantial involvement by private businesses.

B. Typical Uses

Full faith and credit bonds are used by Oregon cities for a wide variety of purposes. They can be used for assets that do not directly generate revenues, like city halls and libraries, and paid from general fund revenues of the city. Full faith and credit bonds can also be used to finance revenue generating assets, and either paid from general fund revenues of the city, revenues generated by the assets that are financed, or by a combination of the two. Pledging the city's full faith and credit to a revenue generating project can help lower the financing cost and make the project affordable.

C. Legal Limits

No single statute places an overall limit on city full faith and credit bonds. However, city charters may impose limits on full faith and credit bonds. The most common charter limits on full faith and credit bonds require that city voters approve those bonds.

ORS 287A.150 permits a city to issue revenue bonds for any lawful purpose, and ORS 287A.315 allows a city to pledge its full faith and credit to secure those bonds. To use ORS 287A.150 a city must either authorize the bonds by non-emergency ordinance and wait at least 30 days, or publish a notice describing the bonds and wait 60 days. While the city is waiting, citizens may file a petition to refer the question of issuing the bonds to an election. The term of bonds issued under ORS 287A.150 is not limited by Oregon law.

ORS 271.390 allows a city to issue bonds in the form of financing agreements, but only to finance costs of real or personal property that is needed by the city. ORS 287A.315 allows a city to pledge its full faith and credit to secure those financing agreements. The weighted average life of the financing agreement cannot exceed the weighted average life of the real and personal property that is financed. Financings under ORS 271.390 can be authorized by resolution.

A financing agreement is a single borrowing, and may be for a large amount. Investors in the bond market are accustomed to buying bonds in increments of $5,000. ORS 271.390 allows cities to convert financing agreements into $5,000 pieces that can easily be sold in the bond market. Those pieces have a variety of names, but are often called "certificates of participation" or "full faith and credit obligations."

[6] Article XI, Section 9 of the Oregon Constitution.

A city's charter may impose special debt limits on a city. The meaning of the debt limit in a city charter depends on exactly what the charter says. However, the most common type of charter debt limit would require voter approval of full faith and credit bonds.

Article XI, Section 9 of the Oregon Constitution says "No… city…, by vote of its citizens, or otherwise, shall… raise money for, or loan its credit to, or in aid of, any [joint] company, corporation or association." This poorly understood provision of the Oregon Constitution prevents cities from using full faith and credit bonds to finance certain kinds of projects that involve corporations and other artificial entities, including most private businesses.

The level of general fund and other revenues will also limit the amount of bonds the city can secure with the full faith and credit pledge.

D. Subject to Appropriation Borrowings

It may be possible for a city to borrow money, but not promise to pay it back. The city decides every year through the budget process if they will appropriate money to pay debt service. These borrowings are called "subject to appropriation" borrowings and are used by entities with particular kinds of debt limits. They were used frequently by the State of Oregon and Oregon counties, but Oregon laws have changed and these entities no longer use them. Oregon cities rarely use subject to appropriation borrowings because they are more expensive than other alternatives.

III. Revenue Bonds

A. What They Are

When people use the term "revenue bond" they usually mean a bond that is payable solely from a specified type of revenue. Because general obligation bonds and full faith and credit bonds are payable from all legally available funds of the issuer, general obligation bonds and full faith and credit bonds are not this kind of "revenue bond."[7]

The types of revenues that can be used to secure revenue bonds vary substantially. As a result, some revenue bonds are very secure and credit-worthy (sometimes even better than an issuer's full faith and credit bonds), and some are so poorly secured they cannot be sold on reasonable terms.

A variety of Oregon statutes authorize cities to issue revenue bonds. Revenue bonds are most commonly issued under ORS 287A.150, which allows a city to issue revenue bonds for any public purpose, and under ORS 271.390, which allows a city to issue revenue bonds in the form of financing agreements and "revenue obligations," and only for costs of real or personal property that is needed by the city.

[7] ORS Chapter 287A defines "revenue bond" differently. For that chapter, "revenue bond" means any bond except a general obligation bond, and "revenue bond" therefore includes a full faith and credit bond. This [guide] will use "revenue bond" the way people usually use that term, to mean a bond that is not a general obligation bond or a full faith and credit bond.

Because revenue bonds are not secured by the general tax revenues or general fund of the city issuing the revenue bonds, the "lending of credit" provision of the Oregon Constitution should not apply and, when compared to general obligation bonds and full faith and credit bonds, private businesses may have more substantial involvement with projects that are financed with revenue bonds.

B. Typical Uses

Utility Revenue Bonds

Revenue bonds are often issued to finance assets that a city uses to provide services to users, for which the city charges fees. For example, many Oregon cities have issued revenue bonds to finance water systems or sewer systems. Those revenue bonds are usually payable solely from the revenues of the system that is financed with the bonds.

Because a city is not legally obligated to pay revenue bonds except from the specific revenues the city commits to pay the bonds, purchasers of revenue bonds usually require the city to make many promises (called "covenants") about how the city will operate the utility system that produces the committed revenues and how the city will impose rates and charges for services from that system. This means revenue bond documents are more complicated than the documents for general obligation bonds and full faith and credit bonds. Since the covenants in revenue bond documents affect the decisions a city makes about operating its utility system, it is very important that a city issuing revenue bonds understand the covenants it agrees to uphold, and to seek alternatives if the covenants will impede the city's ability to operate the system. For instance, investors and rating agencies often want to see pledged revenues exceed the debt service requirement by 10-25 percent (referred to as debt service coverage). This may cause rates to increase substantially and put a strain on rate payers. For general obligation bonds and full faith and credit bonds, no additional cushion is required and rates may be set lower to generate only the amount needed to pay debt service.

Revenue bonds can sell on favorable terms if they are issued for essential services for which the city faces little or no effective competition (such as revenue bonds that finance sewer, water and electric systems), because the city will be able to raise rates to the extent required to pay the bonds. Revenue bonds may not sell on favorable terms (or may not sell at all) if they are issued to finance non-essential services, or services which may be provided by others (such as golf courses, internet services or cable television), because customers may simply quit purchasing services from the city if the rates get too high.

Other Common Revenue Bonds

1. Revenue bonds can also be secured by special tax revenues. For example, a number of Oregon cities have issued revenue bonds that are secured solely by gas tax revenues or by transient lodging taxes.

2. Some Oregon cities have urban renewal agencies that issue revenue bonds secured solely by the tax increment revenues of an urban renewal area.

3. Some Oregon cities have housing departments or housing authorities that issue revenue bonds secured solely by housing revenues.

4. Cities may also combine multiple revenue streams to finance a project in order to enhance the security and lower borrowing costs.

C. Legal Limits

No single statute places an overall limit on city revenue bonds. However, city charters may impose limits on revenue bonds. The most common charter limits on revenue bonds require that voters approve those bonds. Some statutes authorize particular types of revenue bonds for particular purposes, and those statutes may impose limits on those revenue bonds.

ORS 287A.150 allows cities to issue revenue bonds for any public purpose. To use that statute a city must either authorize the bonds by non-emergency ordinance and wait at least 30 days, or publish a notice describing the bonds and wait 60 days. While the city is waiting, citizens may file a petition to refer the question of issuing the bonds to an election.

ORS 271.390 allows cities to issue revenue bonds in the form of financing agreements, but only to finance costs of real or personal property that is needed by the city and only if the estimated weighted average life of the financing does not exceed the estimated dollar weighted average life of the real or personal property that is financed. Financings under ORS 271.390 can be authorized by resolution.

Other statutes may authorize cities to issue revenue bonds for other purposes, and may impose limits on those bonds.

IV. Bonds for a Particular Purpose

The following kinds of bonds are issued by cities so frequently they deserve special mention.

A. Local Improvement District (LID) Bonds

When a city constructs public improvements that benefit nearby property, the city may be able to assess the cost of constructing those improvements against the nearby property that benefits from the improvements, rather than using an existing revenue source. For example, a city may be able to assess the cost of a new street against neighboring property, instead of paying for that street from gas tax revenues. Oregon law requires a city that does this to "form the LID" before construction of the public improvements begins.

A city "forms an LID" by determining what public improvements will be constructed, estimating their cost, and determining how that cost will be apportioned among benefitted property owners. The city then gives the benefitted property owners notice and holds a "remonstrance" hearing on the proposed LID. If a sufficiently large number of property owners remonstrate (object to the

LID) at the hearing, the city cannot continue with the LID or impose assessments for the costs of the public improvements.
The LID is said to be "formed" after the city holds the remonstrance hearing without receiving sufficient remonstrances to stop the LID. Once the LID is formed the city may construct the public improvements and charge property owners in the manner specified when the LID was formed. However, the city cannot charge property owners for the costs of the public improvements until the public improvements are completed.[8]

Because the city cannot charge property owners until the public improvements are complete, the city must either pay for the improvements using existing revenues, or must borrow to pay for costs of the improvements. Usually a city that borrows issues short-term notes that mature when the project is expected to be complete and the city is able to charge property owners for the costs of the improvements.

When the LID projects are complete, the city assesses the cost of the LID projects against the benefitted properties in the manner specified when the LID was formed. Oregon law gives property owners who are assessed for LID projects the right to pay those assessments in installments, with interest, over at least 10 years. The city may allow property owners to pay over a longer time, and may give property owners the option to pay over a shorter time period. If property owners elect to pay their assessments in installments, the city may issue LID bonds under ORS Chapter 223, and use the installment payments of assessments to pay debt service on the LID bonds. The LID bond proceeds are used to pay off any short-term financing the city obtained for the LID, and to reimburse the city for LID costs the city paid before the city could charge property owners for those costs.

LID bonds should be structured to be paid from the LID assessment installment payments the city expects to receive. Since the owners of assessed property have a statutory right to prepay their assessments at any time, it is usually prudent for the city to reserve the right to prepay its LID bonds at any time.

LID assessments are a first lien on the property that is assessed, subject only to state and federal tax liens. The lien of an LID assessment is superior to mortgages, trust deeds and other consensual encumbrances. However, the LID liens are not personal obligations of the property owners. A city can foreclose the property that is subject to the LID lien, but property owners can abandon that property and not be personally liable to pay the city the LID assessments.

Although LID assessments are a first lien on the assessed property, and have to be paid before mortgages and other owner borrowings if the property is foreclosed, the LID assessments are hard for investors to understand. Cities therefore usually pledge their full faith and credit to secure LID bonds, to attract investors and lower the bond interest cost.

If a city issues full faith and credit LID bonds, it will have to use its general fund to pay the bonds if the assessments it collects from benefitted property owners are not enough to pay the bonds. The city's ability to collect the assessments is entirely dependent on the assessed property being worth more than the LID assessments. Cities must, therefore, be very careful

[8] Oregon Constitution, Article XI, Section 11b(2)(d).

when they form LIDs, because once an LID is formed and the city has commenced construction of the public improvements, there is little the city can do to improve its rights.
Oregon cities have been using LIDs and LID bonds to finance public improvements since the early 1900s. Many LIDs have worked well for property owners and cities, but some have not, and some cities have lost large amounts of money on LID projects. The only way to protect the city against these losses is to be very careful when the LID is being formed.

B. Urban Renewal or "Tax Increment" Bonds

Oregon law allows cities to create urban renewal areas that are operated by the city's urban renewal agency. Urban renewal areas can collect "tax increment" revenue, which is described below.

A city can form an urban renewal area by adopting an urban renewal plan. The goal of the plan must be to eliminate "blight" in the urban renewal area. Tax increment revenue may be spent only to pay indebtedness that is incurred to finance urban renewal projects. Urban renewal projects must be located in the urban renewal area and described in the area's urban renewal plan. Tax increment revenues generally cannot be spent on operating costs.

To create an urban renewal area a city must:

1. Prepare an urban renewal plan that describes the urban renewal area and the projects that will be funded with tax increment revenues from the urban renewal area, and establish a "maximum indebtedness" limit for the area (the maximum indebtedness limit is actually a limit on total expenditures of tax increment revenues);

2. Prepare an urban renewal report that estimates the cost of each urban renewal project that is described in the plan, the date by which all of the indebtedness will be paid and the date by which tax increment collections will cease;

3. Give very extensive notice of the plan and report, and hold a public hearing; and,

4. Approve the plan by non-emergency ordinance, which can be referred to the voters.[9]

Adopting an urban renewal area requires a substantial amount of time and effort. However, if the plan authorizes collection of tax increment revenues, once the plan is adopted the urban renewal agency begins to receive a share of most property taxes that are imposed inside the area. The assessed value of the taxable property in the urban renewal area at the time an urban renewal plan is adopted is called the "frozen base." Any increase in the assessed value of that property after the plan is adopted is treated as "excess value" or "incremental value." Tax revenues equal to most of the taxes levied by overlapping jurisdictions (city, county, school district) against the excess value are sent to the urban renewal agency. These tax revenues are called the "tax increment" or "division of tax."

[9] See ORS 457.085 and 457.095.

Tax increment revenues increase when assessed values inside the area increase, and they also increase if the tax rates of overlapping jurisdictions increase. Tax increment revenues of an urban renewal area may increase slowly after the area is formed because newly constructed facilities receive an assessed value that is less than the market value of the facilities, and because existing assessed values normally may only increase by three percent a year. Tax rates inside the area may not increase unless voters in overlapping jurisdictions approve new property taxes. Because tax rates and assessed values inside the urban renewal area may not increase predictably or significantly after an urban renewal area is created, the urban renewal agency may not be able to borrow for the area until the plan has been in effect for a while.

Urban renewal areas that were formed before 1997 may also have the power to impose an additional, special levy up to a maximum amount that was established in 1998. This is the only tax actually levied by an urban renewal district and is not divided amongst overlapping jurisdictions.

Tax increment revenue bonds are less secure than city general obligation or full faith and credit bonds, since revenues are mostly dependent on future assessed value increases in a limited area of the city. Lenders often will not purchase tax increment revenue bonds unless the urban renewal area is already collecting an annual amount of tax increment revenues that exceeds the maximum annual debt service that will be due on the urban renewal bonds.

Because tax increment revenue bonds are less secure than full faith and credit bonds, and are therefore more expensive than full faith and credit bonds, cities may issue full faith and credit bonds and loan the proceeds to their urban renewal agency to finance urban renewal projects. The urban renewal agency typically will agree to pay the debt service on the city's full faith and credit bonds, so the city will not have to use city revenues to pay the full faith and credit bonds as long as the urban renewal area generates enough tax increment revenue to pay the city's bonds.

Tax increment revenue bonds can be used to finance privately owned or operated urban renewal projects in an urban renewal area without violating the "lending of credit" provision of the Oregon Constitution. However, city full faith and credit bonds are subject to lending of credit restrictions, and those bonds may not be used to finance urban renewal projects that are owned or operated by corporations and similar entities, including most private businesses.

C. Conduit Revenue Bonds

A "conduit revenue bond" is a bond that is issued by a city, another local government or the state, but that is payable solely from the revenues and assets of a third party, typically a private business. Oregon cities can issue conduit revenue bonds through city housing authorities for private housing projects, for private medical facilities through city hospital facility authorities, and can issue conduit revenue bonds directly for private higher education facilities.

Conduit revenue bonds are usually issued to lower the borrowing cost of private entities. The United States Internal Revenue Code allows states and local governments to issue lower cost, "tax-exempt" bonds for certain kinds of private business facilities. That code refers to this type

of bond as a "private activity bond." Congress has from time to time considered repealing the provisions of the code that allow states and local governments to issue private activity bonds.

V. Refunding Bonds

"Refunding bonds" are bonds a city issues to refinance and pay off bonds the city previously issued. Oregon law broadly authorizes cities to issue refunding bonds for outstanding general obligation, full faith and credit, and revenue bonds by simply passing a resolution. Refundings are typically undertaken to reduce interest costs if current market rates are less than the rates on the outstanding bonds. However, cities may also issue refunding bonds to restructure debt service, adjust covenants or change the security.

Refunding bonds are typically secured in the same way as the bonds that are being refunded (general obligation bonds are refunded with general obligation bonds, and water revenue bonds are refunded with water revenue bonds). However, a city often can change the security for the refunding bonds. Changing the security may require the city to authorize the refunding bonds by ordinance, and to develop additional bond documents with new covenants. If a city wishes to refund full faith and credit bonds or revenue bonds with general obligation bonds, the city voters would need to approve the refunding general obligation bonds, just as they would for an issue to finance new capital costs.

In order to achieve debt service savings, the refunded bonds must have a call feature (a provision that allows the bonds to be prepaid prior to their original maturity). Most municipal bonds are callable beginning approximately 10 years after they are issued. The date on which the bonds can be prepaid is often referred to as the "call date."

Most city bonds are "tax-exempt" bonds that must comply with provisions of the United States Internal Revenue Code and the regulations and rulings of the United States Internal Revenue Service (the "IRS"). Tax-exempt bonds are described in greater detail in the "Federal Law and City Bonds" section of this manual.

The rules of the IRS classify tax-exempt refunding bonds into two types: current refundings and advance refundings. In a current refunding the refunded bonds are paid off within 90 days after the refunding bonds are issued. Current refunding bonds are lightly regulated by the IRS.

In an advance refunding, the refunded bonds are paid off more than 90 days after the refunding bonds are issued. As of January 1, 2018, advance refunding bonds are no longer permitted to be issued on a tax-exempt basis. Prior to 2018, advance refunding bonds were permitted, but heavily regulated by the IRS, and required greater care and preparation than current refunding bonds.

Cities may still opt to issue advance refunding bonds on a federally taxable basis, however, and in such a case, if the advance refunding bonds will be issued more than one year before the refunded bonds are paid off, the State Treasurer must approve an advance refunding plan before the bonds are sold.

If it would be beneficial to a city to not have to comply with covenants related to a bond issue but the bonds are not yet callable, the city could choose to formally "defease" the bonds. Defeasance is only permitted if the original bond documents provided for it and it is a way to deem a borrowing no longer outstanding, generally by setting aside enough funds to pay off the bonds when due in a formal escrow account.

Sources of Funds

I. The Public Municipal Bond Market

The United States has a large, healthy municipal bond market. Institutions and individuals can buy municipal bonds through their brokers. Oregon cities can sell their bonds in this market, but doing so requires substantial care and effort.

A city may sell its bonds in the public municipal bond market by competitive bid or negotiated sale.

In a competitive bid the city publishes a "notice of bond sale," describing the bonds and the terms under which the city will sell the bonds, and awards the bond sale to the bidder offering the lowest interest cost ["favorable terms" seemed to imply there were other options bidders could offer] to the city. The city usually engages a "municipal advisor" to assist with preparing the official statement and the notice of bond sale.

In a negotiated sale the city hires an investment banking firm to purchase the city's bonds and resell those bonds to investors. The investment banking firm assists with preparing the official statement. The city signs a "bond purchase agreement" with the investment banking firm when interest rates are set.

Any bond sale to the public municipal bond market requires the city to prepare an "official statement" that gives the potential bond purchasers the information they need to determine whether to buy the city's bonds. The official statement is the city's document describing the bonds and the city. The official statement is released into the public securities market, and material misstatements or omissions in the official statement constitute securities fraud under state and federal law, for which civil and criminal penalties may be levied against city staff and elected officials. It is therefore very important that the official statement be prepared carefully and accurately.

The city receives the bond proceeds at "closing." Closing usually occurs two to four weeks after bids are received (in a competitive sale) or the bond purchase agreement is signed (in a negotiated sale).

II. Private Placement

The city may sell its bonds to a commercial bank or other financial institution that does not intend to resell the city's bonds in the public municipal bond market. Banks tend to offer higher

interest rates and shorter amortization periods than a city could obtain by selling bonds in the public municipal bond market, but transaction costs are lower and the bonds often can be sold more quickly to a commercial bank than they can in the public municipal bond market.

No official statement is required for a sale to a commercial bank.

Because transaction costs are higher for sales in the public municipal bond market, smaller bond issues are more often sold to commercial banks, and larger bond issues are more often sold in the public municipal bond market. A financial services provider can help a city determine whether a private placement with a commercial bank is likely to be more beneficial than a sale in the public municipal bond market.

III. Government Loans

Oregon state agencies make loans to cities for a variety of purposes. For example:

1. Business Oregon, the state's economic development agency, operates several loan programs for infrastructure projects;

2. The Oregon Department of Environmental Quality operates the state revolving fund loan program for sewer and water system improvements that reduce pollution;

3. The Oregon Department of Energy makes loans to cities for certain kinds of energy projects; and,

4. The Oregon Department of Transportation make loans to cities for road improvements.

Federal agencies also make loans to Oregon cities. In Oregon, currently the most frequent federal lender is "Rural Development," a branch of the United States Department of Agriculture. Some government agencies that make loans to cities also make grants, and may combine grants and loans.

Government loans often have lower costs than other kinds of bonds, and may have more flexible terms and less restrictive bond covenants. However, government loans may also have special requirements that are unique to the government loan program.

The availability of government loans and the terms under which they may be available will change over time. Cities that need to borrow money should determine early whether a government loan might be beneficial, and should compare the estimated costs and benefits of government loans to the costs and benefits of other kinds of bonds.

Participants in a City Bond Issue

There are two key professional services a city will need on any type of bond: legal services and financial services. In Oregon, these are considered contracts extended in connection with the

issuance of obligations and are not subject to state bidding requirements under ORS 279A.25(12)(9).

I. Legal Services

An attorney or firm of attorneys that specializes in municipal borrowings is often referred to as bond counsel or special counsel (dependent on the security being issued). Investors usually require an opinion of a nationally recognized bond counsel listed in the "Red Book." Bond counsel provides two services in the bond financing:

1. Ensures all state and federal tax law requirements are met.

2. Provides an opinion to investors that the city's bond is valid and binding and, for tax-exempt bonds, that interest paid on the bonds is exempt from federal and state income taxes.

Specifically, bond counsel assists the city by:

1. Determining which financing options comply with state statutes, the Oregon Constitution and federal tax laws.

2. Drafting ordinances and resolutions for council consideration, approval and enactment/adoption.

3. Working with the city to draft the ballot title and explanatory statement for general obligation bonds.

4. For public offerings, reviewing and commenting on portions of the official statements, directing the bid opening for a competitive bid sale, or reviewing the bond purchase agreement for a negotiated sale.

5. For private placements, reviewing and commenting on the term sheet sent to banks and preparing the relevant legal documents.

6. Preparing the relevant legal documents and closing certificates, including, where applicable, a tax certificate and the Internal Revenue Service information filing for execution by the authorized city official.

7. Issuing an approving legal opinion.

8. Preparing and distributing transcripts of the proceedings to the financing team.

II. Financial Services

There are two areas in which issuers use financial services when issuing bonds:

1. Planning for and structuring the issue to best fulfill the issuer's goals.

2. Finding investors to purchase the bonds and obtaining proceeds.

The first service may be provided by either an underwriter or a municipal/financial advisor; the second is provided by either an underwriter (for a public sale) or a placement agent (for a private placement).

An underwriter must "deal fairly" with the city, but has no explicit fiduciary responsibility to the city, as a municipal advisor does. Municipal advisors are legally required to put the city's best interests before their own. Under Oregon law, there is no requirement to hire a municipal advisor. By contrast, an underwriter must be used to sell the bonds in the public market, either through a negotiated or competitive sale process. Financial professionals working at a broker dealer may act in the role of underwriter and municipal advisor to different issuers, as long as they are registered with the U.S. Securities and Exchange Commission (SEC) as both and have passed the necessary licensing exams. The Municipal Securities Rulemaking Board's (MSRB) Rule G-23 prohibits a firm from acting as underwriter on a bond issue once a financial advisory relationship has been established. However, the same firm could serve in different roles on different transactions, provided the appropriate documentation is in place. MSRB rules also dictate that the financial professional's role must be established at the inception of the relationship and an engagement agreement (for underwriting) or contract (for financial advising) must be executed.

Whether using an underwriter or municipal advisor, a city should expect its chosen municipal securities professional to assist with the following services:

1. Preparing analysis on bond issue structure.

2. Providing the city with a cost of issuance estimate for inclusion in the size of a bond issue.

3. Providing debt service and tax rate information for use in city information about the election for general obligation bonds.

4. Reviewing the authorizing resolution and other legal documents.

5. In some cases, preparing the preliminary and final official statement (sometimes this role is filled by underwriter's counsel, bond counsel or a separate disclosure counsel).

6. Recommending and assisting the city in evaluating the need for a rating.

7. Developing a ratings strategy.
8. Preparing a rating presentation for discussion with rating analysts.

9. Analyzing the benefit of credit enhancement and orchestrating hiring a provider, if desired.

10. Developing bid specifications for use in the official notice of sale if using a competitive bid.

11. Assisting in closing the transaction.

Other entities may also be involved, depending on the type of transaction.

III. Paying Agent

The registrar/paying agent is a corporate trust department of a commercial bank. The city designates the paying agent to:

1. Receive bond payments from the city that the agent uses to make interest payments to registered bond owners on the payment dates and to redeem principal on redemption dates.

2. Keep the official records relating to bond ownership.

The use of a paying agent is required for bonds issued in the public market but not for private placements.

IV. Rating Agencies

These companies provide an independent evaluation of the city's credit relative to bond issues and similar credits nationally. Oregon cities most frequently work with Moody's Investors Service or S&P Global Ratings, though Fitch Ratings also provides these services. Through the rating system, an investor anywhere can quickly judge the credit quality of an Oregon city even though that investor knows nothing specifically about the city or its community. Depending on the issue size, credit quality and market conditions, a city may consider applying for a rating from more than one agency. Applying for a rating is an economic decision, not a legal requirement.

V. Bond Insurers or Other Credit Enhancers

These firms provide irrevocable insurance policies that additionally secure the bonds. There are two kinds of credit enhancers:

1. Bond insurers, for a one-time premium, offer irrevocable insurance policies that will pay the city's debt service if the city should ever default on its debt payment obligations.

2. Bank letter of credit (LOC). For both an upfront fee and ongoing annual fees, commercial banks may offer to guarantee a city's bonds. Bank LOCs are more common on variable rate bonds than long-term bonds.

The use of some form of credit enhancement is an economic decision, not a legal requirement.

How Does a City Choose the Right Type of Security?

General obligation bonds: highest security and lowest cost, restricted to financing "capital costs," includes the ability to levy an "unlimited" property tax to pay the bonds, is subject to "lending of credit" restrictions, and must be approved by the city's voters. General obligation bonds are often used to finance governmental facilities like city halls and parks. This type of financing is not available for operating costs.

Full-faith-and-credit borrowings: relatively high security and relatively low cost, payable from all legally available revenues of the city, including the general fund and taxes collected under the city's permanent rate limit, is subject to "lending of credit" restrictions, and does not need to be approved by the city's voters unless the city's charter requires voter approval. Full-faith-and-credit borrowings are often used to finance the same kinds of projects that general obligation bonds finance.

Revenue bonds: security and cost vary widely depending on the revenues that are pledged to pay the bonds, but often have a lower security and a higher cost than full-faith-and-credit borrowings. Revenue bonds are usually not subject to "lending of credit" restrictions and usually do not require voter approval. They often finance systems that have their own revenue source like water and sewer systems and the revenue bond structure is used where a government, like an Urban Renewal Agency, only has one source of revenue.

I. Options

Cities have several options for structuring bonds and accessing funds:

A. Long-term, fixed rate bonds sold in the public securities market

Most cities prefer to borrow on a fixed rate basis so their interest cost is locked in over the term of the bonds, providing stability to budgeting for annual payments. The length of the bonds depends on many factors. Most Oregon long-term financings mature in 20 to 30 years, however some cities may borrow over a shorter or longer time frame. Depending on market conditions, credit factors, borrowing length and security, cities may be able to obtain the lowest cost of funds by selling bonds in the public market. Rather than placing the entire issue with one bank or investor, selling bonds in the public market allows multiple investors to purchase pieces of the bonds that best fit their investing goals, which can help bring down the borrowing cost. Borrowing in the public market is regulated by the SEC and comes with more upfront and ongoing disclosure obligations compared to borrowing directly from a bank.

B. Variable rate bonds sold in the public securities market

Variable rate debt is debt where the interest rate is reset on a very short-term basis, usually weekly. Because the rate is a very short-term rate, variable rate bonds usually carry very low interest rates compared to contemporaneously issued long-term fixed-rate bonds. However, because the rate floats with market conditions, variable rate bonds involve interest rate risk. Even though variable rate debt can have many advantages, the difficulty of correctly budgeting

and levying property taxes or collecting revenues to support a floating rate debt instrument makes variable rate debt challenging for some cities.

C. Bank loans and lines of credit

In recent years, banks have been fairly aggressive in lending to municipalities. A city could place a long-term fixed issue directly with a bank, similar to a public sale. The benefits of borrowing directly from a bank include lower costs of issuance, no credit rating, a shorter issuance timeline and reduced disclosure obligations. however, the tradeoff may be that the interest rate offered is not as competitive as what could be obtained in the public market. Cities can increase competition by preparing a term sheet ad soliciting bids from a variety of banks to ensure they get the best rate and terms. And in certain circumstances, a bank loan may be the best option for a city if the credit quality is weaker, the security is complicated (e.g. urban renewal) or there is a quick deadline to receive funds. In some cases, banks may be able to offer more flexible call provisions than the public market, but are often limited in the term of the bonds they will accept (often 15 to 20 year maximum).

Cities may also set up a multi-year line of credit from a bank whereby interest is only charged as funds are drawn down. This may be advantageous if the city does not know when funds will be needed. However, after the passage of the Dodd-Frank Wall Street reform and Consumer Protection Act, banks are subject to more stringent capital requirements and regulation, so fewer banks are willing to offer lines of credit at competitive rates. Cities are also susceptible to the risk of interest rates going up before long-term financing can be locked in.

D. Short and intermediate term notes

Notes usually mature in one year or less, although notes of longer maturities may be issued. Cities typically sell short-term notes to manage cash flow when the timing of expenditures does not line up with the receipt of funds. Oregon cities most often issue tax and revenue anticipation notes in anticipation of future tax receipts and revenues (TRANs). Cities may also sell notes in anticipation of grant funds (GANs) or in anticipation of selling long-term bonds (BANs).

II. The Process

When a city realizes it wants to borrow money, it usually will go through the following steps:

A. *Choosing the best type of borrowing*

This choice can be easy or difficult, depending on the project and the intended source of repayment.

For example, if the city wants to finance a new city hall, it likely will have to use general obligation bonds, full faith and credit bonds or tax increment bonds, as city halls do not produce revenue. General obligation bonds require voter approval, and tax increment bonds can only be issued for facilities inside an established urban renewal area and projects identified in the urban renewal plan. So if the city is not willing to ask the voters to approve general obligation bonds

and increase their property taxes, and the city does not have an urban renewal area, the city may only be able to use full faith and credit bonds to finance the city hall.
If, on the other hand, the city is financing an improvement to its water system, the city might use general obligation bonds, full faith and credit bonds, water revenue bonds or tax increment bonds. Each type of financing would have different financial impacts on citizens and ratepayers.

The city's bond counsel can help the city understand the legally available options and the future legal obligations associated with each option, and the city's financial services provider (municipal advisor or underwriter) can help the city understand the cost implications of the options.

B. *Determining whether the financing will bear tax-exempt interest*

Tax-exempt financing produces lower interest rates than taxable financing, so cities usually choose tax-exempt financing if it is available. However, tax-exempt financing reduces the city's flexibility and imposes more compliance burdens on the city. Tax-exempt financing is also not permitted for certain purposes, including advance refundings and certain private purpose projects.

C. *Putting the bond team together and deciding how to sell the bonds*

The city will need to hire bond counsel early in the process. Bond purchasers normally will not buy the city's bonds unless the city provides an unqualified opinion of nationally recognized bond counsel, and bond counsel can keep the city from going down blind alleys. Bond counsel represents the city.

If the borrowing is significant in size, early in the process the city should hire a financial services provider who can assist in the structuring of the borrowing. The bond counsel and financial services provider can help the city choose the best way to borrow for a project.

Once the best way to borrow has been determined, the bond counsel and financial services provider can work with the city to start the bond issuance process, and to select the method of sale (competitive bid or negotiated sale) for bonds sold in the public bond market, or privately placing debt with a bank.

D. *Council action*

The city council will need to authorize issuing the bonds at least once, by resolution or ordinance. The precise type of council authorization that is needed will depend on the type of bonds that are being issued.

If the city is issuing general obligation bonds, which must be approved by the city's voters, the city council likely will need to adopt a resolution calling the bond election, to take action to accept the vote, and to adopt a resolution authorizing the bond sale.

If the city is issuing full faith and credit bonds under the authority of ORS 271.390, the city council can authorize the financing with a single resolution.

If the financing method has not been determined, bond counsel can help the city craft the authorizing resolution to allow flexibility for staff to determine the sale method.

E. *Bank and other private placements*

Interest rate information about private placements and bank loans is not widely published or as transparent as the public market, however, cities can ensure they receive a competitive rate by soliciting bids from a variety of banks. The financial services provider can prepare a term sheet outlining the preliminary structure, security and terms desired by the city which can be disseminated to banks. For a bank placement, an underwriter can act as a placement agent and place the debt directly with a bank or other financial entity. A municipal advisor may assist in document review and preparation but may not act as an agent or negotiate on behalf of the city in the placement of a securities issue.

Many banks are comfortable using documents prepared by bond counsel, but it can save time and headaches if a draft of the purchase agreement or financing agreement with key terms is included with the distribution of the term sheet. Banks are asked to provide comments with their bid so a city can determine whether or not their requests are acceptable upfront.

After the bid deadline, the financing team can review all of the responses and select a bank. The winning bid may or may not provide the lowest interest rate if other factors such as call provisions are important or if the bank providing the lowest interest rate also imposes onerous covenants. Once a bank has been selected, the costs and debt service schedule can be finalized and incorporated into the final closing documents.

F. *Sales in the public municipal bond market*

There are many factors which influence whether a competitive bid or negotiated sale may be a better fit for a bond sale. The financial services provider can provide information regarding the methods of sale and assist the city in making a decision which is transaction specific and should consider financial, market, security and city conditions.

Competitive sales are used frequently by highly rated cities offering a straight-forward security of moderate size. In a competitive sale, the underwriter is not selected until the day bonds are sold so all of the terms and structuring decisions have already been made. Because of this, the underwriter needs to be comfortable investors will be interested in purchasing the bonds. The city is also locked into the coupon structure as bid and has a limited ability to adjust the sizing after bids are received.

In a negotiated sale, the underwriter is involved in the process upfront and has input in the credit and structuring decisions. The underwriter can also begin preliminary discussions with investors ahead of the bond sale and determine how receptive the market is to the bond issue which can be important for weaker credits, unknown issuers and more complex security structures. The city

also has the ability to communicate with the underwriter during the pricing to adjust the maturities and coupons so the structure best suits the city's needs. From an issuer perspective, the main steps for preparing an issue to be sold in the public market will be the same, regardless of the method of sale. If the city selects a negotiated sale, the process could include a request for proposals, upfront to select an underwriter, however, this is not legally required. A city could simply select an underwriter and move forward.

The major task involved with a public sale is the preparation of a disclosure document, often referred to as the Official Statement (OS). Prior to the bond sale it is referred to as the preliminary official statement (POS) and is the primary source of information for underwriters, investors, and rating agencies in evaluating the value and creditworthiness of the bonds and the city. The OS includes general sections concerning the city, its economy, fiscal condition, financial structure, revenue sources, revenue data, debt authority, and any outstanding litigation. The document will also include transaction specific information regarding the project to be financed, the security pledge and the terms of the bonds (including the maturity structure and redemption provisions).

The financial services provider or an attorney (underwriter's counsel, bond counsel or a separate disclosure counsel) will be in charge of drafting the OS with review and input from the other members of the financing team. Several drafts are typically prepared with time for participants to review and comment on each draft. When the POS is near final, the city will be instructed to circulate a copy to their council for review as well. While service providers may assist in the preparation of the OS, it is legally the city's document and the city's responsibility to ensure that the OS contains all material information needed to comply with federal and state requirements. See "Federal Law and City Bonds – Disclosure Requirements" for more information.

A credit rating is often obtained for bonds sold in the public market as investors look to rating reports as a key indicator of the credit quality of an issue. Bonds can be sold nonrated, however, the interest rates received are often much higher than rated debt. The rating agency assigns a letter grade along a standardized scale which allows investors to more easily compare bonds of different issuers and securities. The methodology used to assign ratings is available from each rating agency and varies by security type. Key factors may include:

Issuer financial condition	Length of debt and repayment structure
Current debt burden & future debt needs	Management
Pension burden	Local economy
Legal covenants	

The financial services provider will forward the necessary documentation to the rating agency and facilitate the review process with a rating analyst (usually a conference call or, in certain circumstances, an in-person meeting). The rating analyst will bring a recommendation to a committee and then a rating will be assigned. A credit report will be published and the city will have the opportunity to review it prior to publication. The credit rating is maintained as long as

the bonds are outstanding and the rating agency may contact the city periodically to conduct surveillance rating reviews.

A document will be prepared describing the terms under which the bonds will be purchased. For competitive sales, the terms are outlined in the notice of sale (NOS) and for negotiated sales, a purchase agreement is prepared. The NOS contains the date, time and place of sale, amount of issue, type of security, redemption provisions, bidding constraints, amount of any good faith deposit, basis of award, name of bond counsel, maturity schedule, method of delivery, time, place of delivery and form of issue price certificate (for tax-exempt debt). The NOS is usually included as part of the POS and is reviewed by the financing team prior to publication. The purchase agreement is the contract between the underwriter and the city detailing the final terms, prices and conditions upon which the underwriter purchases the bonds. The underwriter or underwriter's counsel will draft the purchase agreement ahead of the bond sale and the financing team will review. The document is finalized and executed on the sale date, after the bonds have been sold.

The interest rates, proceeds and debt service are locked in on the sale date. For a competitive sale, a deadline is set for bids to be received and underwriters submit bids through an electronic platform called Parity. The city, bond counsel and municipal advisor will review the bids received and verify that the winning bid conforms to the NOS requirements. The best bid is determined according to criteria in the NOS, but typically is the lowest true interest cost.

Once the bid is awarded, the municipal advisor will work with the underwriter to resize the issue within the NOS parameters to meet the city's desired structure and the numbers will be finalized. For a negotiated sale, the underwriter holds an order period on the morning of the sale date. The day prior to the sale, the underwriter, city and municipal advisor (if any) will review market conditions, comparable transactions and discuss the preliminary interest rates proposed by the underwriter. The underwriter offers the preliminary rates to investors during the order period and will propose adjustments to interest rates based upon the level of orders received. If the underwriter receives lots of orders for the bonds, they may be able to reduce interest rates. However, if the underwriter does not receive orders for the entire issue, interest rates may be increased in order for the underwriter to commit to buy the bonds.

Once the terms have been finalized, the underwriter purchases the entire issue and the city's costs are locked in. Any unsold bonds are the underwriter's responsibility and they assume the risk if interest rates increase before bonds are sold.

G. *"Closing"*

A bond issue "closes" when the initial bond purchaser pays the city for the bonds.

If the bond issue was sold in the public municipal bond market, the issue likely will close electronically through The Depository Trust Company, or "DTC." The initial purchaser likely will pay for the bonds by wiring funds to an account of the city. The initial purchaser will not receive any bonds; the bonds will be held by the city's paying agent, and DTC will simply credit the initial purchaser with the bonds in DTC's system.

DTC is headquartered on the East Coast, and closing must occur by the DTC closing deadline, which is mid-morning Oregon time. Failure to close by the DTC deadline creates administrative difficulties, increases costs, and potentially jeopardizes the bond sale, so cities and their bond teams go to considerable lengths to make sure that everything is in order and the bonds can close on time.

If the bonds are sold to a bank or otherwise privately placed, bonds can close at any mutually agreeable time.

H. *Assembly of the bond "transcript"*

Once the bonds are sold, the city and the other members of the bond team must provide the documents to bond counsel for the "bond transcript." The bond transcript contains all of the major documents that directly relate to the financing. Bond counsel will send copies of the transcript to all members of the bond team, usually on a compact disc. Because the bond transcript has all the major documents related to a particular bond issue, the bond transcript is an excellent source of information about the bond issue.

Federal Law and City Bonds

I. The IRS and Tax-Exempt Bonds

The internal revenue codes of the United States have long provided that interest on the obligations of state and local governments (such as cities) is not "includable in gross income." Because that interest is not included in investors' gross income, it is often not taxed, and bonds bearing that interest are called "tax-exempt bonds."

However, for a city bond to actually be tax-exempt, the city and the facilities financed with the bonds must comply with a large number of internal revenue code provisions and IRS regulations. This manual will refer to those code provisions and regulations as the "IRS Rules."

Currently, the IRS Rules have two main divisions: the "arbitrage rules" and the "private activity bond rules."

II. The Arbitrage Rules

In the municipal bond world, "arbitrage" refers to investing tax-exempt bond proceeds in securities that pay interest. "Positive arbitrage" occurs when a city can invest bond proceeds at an interest rate that is higher than the "bond yield."

The "bond yield" is a time-weighted average interest rate on the entire bond issue that is calculated according to IRS Rules. The bond yield is a rate that is slightly lower than the effective, average interest rate that the city pays on the bonds.

Temporary Periods

The IRS Rules actually prohibit the city from investing its bond proceeds at a rate that is higher than the bond yield, unless the investment is made during a "temporary period." Happily, there is a temporary period available for most situations in which a city holds bond proceeds.

The IRS Rules provide lots of different temporary periods, but the most well-known temporary period is the "three-year temporary period." A city may invest the proceeds of a tax-exempt bond that is not a refunding bond at any interest rate the city can get, as long as, when the bonds are issued, the city reasonably expects:

1. To enter into a contractual obligation within six months that will require the city to spend at least five percent of the proceeds.

2. To spend at least 85 percent of the spendable proceeds of the bonds within three years.

3. To "proceed with due diligence" to complete the project, and not delay spending money on the project to benefit from the positive arbitrage.

If the city cannot qualify for this three-year temporary period the city may have to invest the bond proceeds in tax-exempt bonds or in special securities issued by the federal government. Both of these options are highly inconvenient and earn the city less than it otherwise could.

If the city is issuing tax-exempt bonds for a project that will take more than three years to complete, the city may have to divide the bonds into several issues, so that the city meets the requirements for the three-year temporary period. The three-year temporary period is the reason people often say that a city "must spend its bond proceeds" within three years.

The Rebate Requirement

"Rebate" is a requirement of the IRS Rules that a city pay any positive arbitrage to the federal government no less often than every five years.

Cities that do not issue more than $5 million of tax-exempt bonds in a calendar year usually do not have to pay arbitrage rebate on those bonds.

Cities that issue more than $5 million of tax-exempt bonds in a calendar year are usually subject to arbitrage rebate, but may qualify for exemptions if the bond proceeds are spent relatively quickly.

If a city has outstanding bonds that are subject to arbitrage rebate, the city should monitor earnings and consider employing an outside consultant to calculate the rebate that may be due to the federal government. It is easy for cities to forget about the rebate requirement, since payments are only due every five years. However, arbitrage rebate payments can be quite large, and the IRS can impose interest and penalties if rebate is not paid when due.

I. The Private Activity Bond Rules

The IRS Rules define a "private activity bond" as a bond in which more than a small percentage of the proceeds are specially used in the trade or business of a taxpayer, or a bond in which more than a small percentage of the proceeds are loaned to a taxpayer.

If a bond is a private activity bond, interest on the bond cannot be tax-exempt unless the bond qualifies for one of the exceptions provided in the IRS Rules. Exceptions are available for a number of purposes, including facilities used by:
501(c)(3) organizations;

- Airports;
- Docks and wharves;
- Homes loans for veterans and first-time home buyers;
- rental housing for low income individuals and families;
- Mass commuting facilities;
- Certain kinds of water, sewer and solid waste facilities;
- Green building and sustainable design projects;
- Hazardous waste facilities;
- High-speed intercity rail facilities;
- Student loans;
- Small manufacturing facilities;
- Agricultural land and facilities for first-time farmers;
- Highway or surface freight transfer facilities;
- Public educational facilities; and
- Certain facilities for the local furnishing of electric energy or gas, heating and cooling, and environmental enhancements of hydro-electric generating facilities.

Each exception has complex limitations. In addition, many exceptions require an allocation of "private activity bond volume cap," or "volume cap." Volume cap is allocated to each state each year based on population. The Oregon Legislature allocates volume cap to some state programs, and authorizes the private activity bond volume cap committee to allocate what is left to local governments and state agencies based on their needs.

In addition, private activity bonds generally cannot be issued until the city holds a "TEFRA hearing." The city usually must give at least 14-day advance notice of the hearing. The notice must describe the facilities that will be financed, their location, and the amount of bonds that will be issued. Anyone may appear and testify in favor, or against, issuing the bonds.

II. Other Rules Related to Tax-Exemption

The IRS Rules have many other requirements that are not described in this manual. The city's bond counsel should help the city understand the requirements of the IRS Rules for each bond issue, and will prepare a "tax certificate" or other document for the city to sign, in which the city agrees to comply with those requirements. The tax certificate is included in the bond transcript.

III. Disclosure Requirements

The SEC is responsible for regulating the securities industry. Their mission is to protect investors and maintain fair, orderly and efficient markets. While municipal securities are exempt from certain registration requirements, the anti-fraud provisions of securities law apply to the primary disclosure documents (POS/OS) that cities prepare. To improve transparency and enhance investor protections, the SEC also requires issuers to provide ongoing disclosure to investors while debt is outstanding, known as continuing disclosure.

Requirement for an official statement. SEC Rule 10b-5 makes it unlawful for an issuer of securities to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading. The SEC has stated, in the context of an enforcement action against a securities issuer, that "[i]nformation is material if there is a substantial likelihood that a reasonable investor would consider it important to an investment decision." Prior to finalizing the POS, a due diligence call will be held with bond counsel, the underwriter and/or municipal advisor and underwriter's counsel (if any). The party leading the call will run through a list of questions designed to form a reasonable basis for a belief in the truthfulness, accuracy and completeness of the key representations made in the disclosure documents. The due diligence process helps satisfy the underwriter's requirement to inquire on the key representations in the OS and assist issuers in preparing a correct and complete OS to comply with securities law.

Continuing disclosure. SEC Rule 15c2-12 requires underwriters to ensure issuers enter into a continuing disclosure agreement at the time bonds are. The agreement is included in the OS and establishes the information a city is required to make available to investors throughout the term of the bonds. Audited financial statements and certain operating data are required to be filed on an annual basis. A list of 14 specified events require a notice filing within 10 business days of their occurrence. Filings are currently required to be made on the MSRB's Electronic Municipal Market Access (EMMA) website. The SEC requires underwriters conduct a review of the city's filing history over the most recent five-year period prior to offering securities in the public market. Any missing filings must be remedied and late filings must be noted in the disclosure document. EMMA offers extensive information on continuing disclosure in general and using the website, including tutorials on submitting filings: https://emma.msrb.org/.

IV. Post-Issuance Compliance Policies

It is best practice for an issuer of bonds to have adopted policies to assist the issuer in complying with its continuing disclosure obligations and post-issuance tax requirements. The form of policies will differ based on each city's needs. Consult with your bond counsel for a form of policies.

REQUEST FOR COUNCIL ACTION

PREFERRED AGENDA:	TITLE:	TYPE OF ACTION:
July 24, 2018	City Acceptance of Property	__ RESOLUTION __ MOTION
SUBMITTED BY: Jerry Sorte, CED Director	**ATTACHMENTS:** Property Map Draft Deed	_X_ OTHER
REVIEWED BY:		

PURPOSE OF THIS RCA:
Staff is seeking direction from the Council on whether they wish to pursue acquiring property on Long Street next to the skate park located behind the new Dollar General location at 1937 Main St.

BACKGROUND/CONTEXT:
Cross Development, LLC submitted plans to build a new Dollar General retail location at 1937 Main Street in Sweet Home on November 9, 2016. Their project required they purchase two adjoining lots and complete a lot line adjustment, creating a large lot on Main St to build the facility and a small lot off Long St. Dollar General determined the small lot was "excess" to the project and remains unused. During the process of plan review and construction of the store, Cross Development approached City staff seeking to gift the small, excess property to the City. The "excess" property in question is located adjacent to the Skate Park and is located one property east of 1990 Long Street. Cross Development has not stated a specific reason as to why they would like to gift the property to the City.

The subject property contains 8,945 square feet, and is zoned Commercial Highway (C-2). Cross Development forwarded a draft deed; which would restrict specific uses from being established on the property. See attached. This property may have value to the City or may have value to the Sweet Home School District. The School District owns the contiguous property to the west.

THE CHALLENGE/PROBLEM:
Is it beneficial to the City to acquire the property behind the New Dollar General store at 1937 Main St.?

STAKEHOLDERS:

- *City of Sweet Home Residents*. If the property is accepted by the City, it may be possible to develop the property for parking or another use that could benefit the residents of Sweet Home. Conversely, public ownership may prevent future private investment in and commercial use of the property.
- *City of Sweet Home School District*: If the property is accepted, it may provide a benefit to the contiguous property to the west owned by the Sweet Home School District.
- *City Departments*: If the property is accepted by the City, the maintenance of the property would ultimately fall on the City.

ISSUES & FINANCIAL IMPACTS:
If this property is accepted, it would require staff administrative and maintenance resources. The property may; however, bring value to the community based on how it is developed. Public ownership would remove the property from the tax base.

ELEMENTS OF A STABLE SOLUTION:
If this property is accepted, the City would need to develop a plan to ensure that funds are available for the administrative and maintenance work that would be required to manage the property. A stable solution would include stakeholder support.

OPTIONS:
1. *Direct staff by consensus to evaluate this matter further.* Under this option, staff would gather stakeholder input, and a return to Council with additional information and a recommendation on acceptance.
2. *Direct staff by consensus to not pursue this acceptance of property.*
3. *Take no action.*
4. *Other.*

RECOMMENDATION:
Staff recommends that the Council pursue Option 1: *Direct staff by consensus to evaluate this matter further*. Staff would further evaluate the property and reach out to stakeholders to determine if there would be a public benefit to accepting the property. Staff would return to Council to provide additional information and a recommendation on acceptance.

City of Sweet Home Planning Map

N

0 20 40 80 120 160

Feet 1 inch = 80 feet

Sweet Home, OR 97386

GRANTOR'S NAME:
CD DG Sweet Home, LLC

GRANTEE'S NAME:
City of Sweet Home

AFTER RECORDING RETURN TO:
City of Sweet Home
_____
_____

SEND TAX STATEMENTS TO:
City of Sweet Home
_____
_____

SPACE ABOVE THIS LINE FOR RECORDER'S USE

BARGAIN AND SALE DEED - STATUTORY FORM

(INDIVIDUAL or CORPORATION)

CD DG Sweet Home, LLC, a Texas limited liability company, Grantor, conveys to **City of Sweet Home, a political subdivision of the State of Oregon**, Grantee, the following described real property, situated in the County of Polk, State of Oregon,

SEE ATTACHED EXHIBIT "A"

This conveyance is made and delivered upon the following express restrictions, which shall run in perpetuity and burden the property:

(a) Grantee, its successors and/or assigns, covenants and agrees not to lease, rent or occupy, or allow to be leased, rented or occupied, any part of the above described property, for use as a Family Dollars, Bill's Dollar Store, Fred's, Dollar Tree, Dollar Zone, Variety Wholesale, Ninety-Nine Cents Only, Deals, Dollar Bills, Dollar Express, Bonus Dollar, Maxway, Super Ten, Planet Dollar, Big Lots, Odd Lots, Walgreens, CVS, Rite Aid, or any Wal-Mart concept.

(b) Grantor, its successors and/or assigns, covenants and agrees not to lease, rent, occupy, or allow to be leased, rented or occupied, any part of the above described property to be used or operated for any of the following: (a) for any unlawful purpose or in any way which would constitute a legal nuisance to an adjoining owner or occupant; (b) as a discotheque, dance hall or night club; (c) as a massage parlor; (d) funeral parlor; (e) bingo parlor; (f) any use which emits a strong, unusual, offensive of obnoxious odor, fumes, dust or vapors, or any sound which can be heard outside of any buildings on the property, except that any usual paging system be allowed; (g) refining, smelting, operation; (h) any "second hand" store or liquidation outlet; (i) any mobile home park, trailer court, labor camp, junk yard, recycling facility or stock yard; (j) any dumping, disposing, incineration or reduction of garbage (exclusive of garbage compactors located near the rear of any building); (k) any dry cleaners performing on-site cleaning services; (l) any storage or body shop repair operation; (m) any living quarters, sleeping apartments or lodging rooms; (n) any veterinary hospital or animal raising facilities (except this provision shall not prohibit pet shops and shall not prohibit the provision of veterinary services in connection with pet shops or pet supplies business); (o) any establishment selling or exhibiting paraphernalia for use with illicit drugs, and establishment selling or exhibiting materials or devices which are adjudicated to be pornographic by a court of competent jurisdiction, and any adult bookstore, adult video store or adult movie theater; (p) any bar or tavern; provided, however, a bar within a restaurant shall be permitted; (q) any pool or billiard hall, gun range or shooting gallery, or amusement or video arcade; and (r) any use which creates fire, explosives or other hazards.

The true consideration for this conveyance $ 0.00 (See ORS 93.030).

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

IN WITNESS WHEREOF, the undersigned have executed this document on the date(s) set forth below.

Dated: _____

CD DG Sweet Home, LLC
a Texas limited liability company

By: _____
Steve Rumsey, President

State of _____
County of _____

This instrument was acknowledged before me on _____ by Steve Rumsey, as President of CD DG Sweet Home, LLC, a Texas limited liability company, on behalf of the corporation, who did not take an oath and who:

____ is/are personally known to me.
____ produced current _____ driver's license as identification.
____ produced _____ as identification.

_____
Notary Public

_____
Name of Notary Printed
My Commission Expires: _____
Commission Number: _____

EXHIBIT "A"

LEGAL DESCRIPTION

Parcel 2, Partition Plat No. 2018-13, recorded February 21, 2018, Document No. 2018-03072, City of Sweet Home, Linn County, Oregon.

REQUEST FOR COUNCIL ACTION

PREFERRED AGENDA:	TITLE:	TYPE OF ACTION:
July 24, 2018	Third Reading and Roll Call Vote for Ordinance Bill No. 2 for 2018/Ordinance No. 1270	___ RESOLUTION ___ MOTION __X__ OTHER
SUBMITTED BY: Jerry Sorte, CED Director		
REVIEWED BY:	**ATTACHMENTS:** Ordinance Bill No. 2 for 2018/Ordinance No. 1270 RCAs for June 26, 2018 and July 10, 2018 meetings	

PURPOSE OF THIS RCA:

The purpose of this RCA is to present Ordinance Bill No. 2 for 2018/Ordinance No. 1270 for third reading and a roll call vote. This ordinance would adopt text amendments to the Zoning Ordinance; which is Title 17 of the Sweet Home Municipal Code (SHMC) in order to implement SB 1051 (2017). This project is identified as Planning file Legislative Amendment 18-01.

BACKGROUND/CONTEXT:

If passed, Ordinance Bill No. 2 for 2018/Ordinance No. 1270 would adopt text amendments to Title 17 of the SHMC; Zoning Ordinance. The text amendments implement the changes to the Oregon Revised Statutes (ORS) resulting from the passage of SB 1051 (2017) that took effect on July 1, 2018. The proposed changes to the SHMC include new standards for accessory dwellings in zones that permit single family dwellings, as well as changes to the time requirement to process certain affordable housing applications. The text amendments include updated definitions of the uses that may be permitted as a part of church use.

The following is the timeline of meetings associated with this project:

- February 5, 2018: The Planning Commission held a work session on this project.
- April 2, 2018: The Planning Commission held an additional work session on this project.
- June 4, 2018: The Planning Commission held a public hearing on the proposed text amendments. The Planning Commission provided an opportunity for the public to submit testimony and unanimously voted to recommend that the City Council adopt the proposed amendments.
- June 26, 2018: The City Council held a public hearing and unanimously approved these text amendments to SHMC, Title 17 by motion. The RCA for this meeting is attached.
- July 10, 2018: The City Council introduced and held a first and second reading of Ordinance Bill No. 2 for 2018. This ordinance was drafted to implement the text amendments to Title 17 of the SHMC that were approved by the City Council at their June 26, 2018 meeting. The RCA for this meeting is attached.
- July 24, 2018: The City Council will consider Ordinance Bill No. 2 for 2018/Ordinance No. 1270 for a third reading and roll call vote.

Ordinance Bill No. 2 for 2018/Ordinance No. 1270 contains two exhibits. Exhibit A lists the findings of fact that would be adopted by the City to support approval of the ordinance. The findings of fact demonstrate that the City has reviewed the legal criteria for making amendments to the SHMC and has found that the proposed text amendments would comply with those criteria. Exhibit B lists the text for the sections of Title 17 that would be amended upon passage of the ordinance.

Staff has made corrections to Exhibit A for the third reading and final version of the ordinance. These changes are depicted in the "track changes" version of Exhibit A included with this ordinance. They consist of minor typographical and formatting corrections and minor corrections to the introductory narrative and review criteria (listed in bold). These changes do not change the text of the findings; which are the City's reasoning for why the proposal complies with all legal criteria. These changes do not change the text amendments themselves. There are no changes to Exhibit B.

THE CHALLENGE/PROBLEM:

The question before the City Council is whether the attached ordinance adequately implements the text amendments to the SHMC that were approved by the City Council at the June 26, 2018 meeting.

STAKEHOLDERS:

- City of Sweet Home Residents – The proposed text amendments would impact the City's residential zones by permitting one accessory dwelling for each single family dwelling.
- Property Owners –Owners of residential properties may benefit from these text amendments. They may choose to construct an accessory dwelling on their property. Those seeking to establish a church through a conditional use permit process may also be able to establish an expanded list of associated uses.

ISSUES & FINANCIAL IMPACTS:

Financial Impacts: If approved, the text amendments may result in the placement of accessory dwellings in residential zones. This may increase the assessed property values of residential properties and add utility customers. Additional residents would also increase the demand for City services; including police, library, street, water, and wastewater services.

ELEMENTS OF A STABLE SOLUTION:

Adoption of the attached ordinance is a key element of a stable solution. The text amendments to the SHMC would create local standards that would implement SB 1051 (2017) in a manner that is consistent with the vision for the community as reflected in the review by both the Planning Commission and City Council.

OPTIONS:

1. *Conduct a third reading of Ordinance Bill No. 2 for 2018/Ordinance No. 1270 and conduct a roll call vote;*
2. *Remand Ordinance Bill No. 2 for 2018/Ordinance No. 1270 to staff for revisions (specify).*
3. *Take no action*; in which case staff would apply Senate Bill 1051 (2017) directly; or
4. *Other*

RECOMMENDATION:

Staff recommends that the City Council follow Option 1 and conduct a third reading of Ordinance Bill No. 2 for 2018/Ordinance No 1270 and conduct a roll call vote.

ATTACHMENTS:

- Ordinance Bill No. 2 for 2018/Ordinance No. 1270
    - Exhibit A as updated (track changes version)
    - Exhibit A as updated (final version for consideration)
    - Exhibit B – Code Updates
- RCA previously submitted for the June 26, 2018 Public Hearing
- RCA previously submitted for the July 10, 2018 Ordinance Introduction and First and Second Reading

ORDINANCE BILL NO. 2 FOR 2018

ORDINANCE NO. 1270

AN ORDINANCE AMENDING TITLE 17 OF THE SWEET HOME MUNICIPAL CODE AND DECLARING A NEED FOR AN EXPEDIENCY CLAUSE.

WHEREAS, the passage of Senate Bill 1051 (2017) adopted new state standards that impact the placement of accessory dwelling units, the processing timeline for certain affordable housing applications, and the definition of the uses that may be authorized in conjunction with a church; and

WHEREAS, the Planning Commission of the City of Sweet Home held work sessions on February 5, 2018 and April 2, 2018 to craft text amendments to the Sweet Home Municipal Code in order to implement Senate Bill 1051 (2017). This project is identified as Legislative Amendment 18-01. The Planning Commission considered the text amendments at a public hearing held on June 4, 2018, and unanimously recommended that the City Council adopt the proposed amendments; and

WHEREAS, the City Council held a public hearing on this matter on June 26, 2018, and unanimously approved these amendments by a motion;

Now, Therefore,

THE CITY OF SWEET HOME DOES ORDAIN AS FOLLOWS:

Section 1: The City of Sweet Home adopts the findings of fact in favor of the amendments to the Sweet Home Municipal Code included as Exhibit A.

Section 2: The City of Sweet Home amends Sweet Home Municipal Code, Title 17 as shown on Exhibit B.

Section 3: Expediency Clause. Whereas the statutory changes resulting from passage of Senate Bill 1051 (2017) took effect on July 1, 2018, it is hereby adjudged and declared that an emergency exists and existing conditions are such that this ordinance is needed to be immediately enforced upon its passage. Therefore, this ordinance shall take effect and be in full force and effect from and after its passage and approval.

Passed by the Council and approved by the Mayor this _____ day of _____ 2018.

_____
Mayor

ATTEST:

_____
City Manager - Ex Officio City Recorder

Exhibit A

Findings in Support of Text Amendments to Sweet Home Municipal Code, Title 17
Legislative Amendment 18-01

REVIEW AND DECISION CRITERIA

The review and decision criteria for the text amendments to Sweet Home Municipal Code, Title 17 for file Legislative Amendment 18-01 are listed below in bold. Findings and analysis are provided under each review and decision criterion.

A. An amendment to the text of the ordinance codified in this title or a legislative zoning map amendment may be initiated by the City Manager, the City Planning Commission, the City Council or a property owner. A quasijudicial zoning map amendment may be initiated by a property owner, a representative of the property owner, the City Manager, the Planning Commission or the City Council. A request for a quasijudicial zone map amendment by a property owner shall be accomplished by filing an application with the City Planner at least 45 days prior to the Planning Commission meeting and using forms prescribed pursuant to § 17.12.100. [SHMC 17.12.010]

Findings: These amendments to the text of the SHMC were initiated by the Planning Commission in order to address the new state rules that will take effect on July 1, 2018 as a result of passage of SB 1051 (2017).

B. The Planning Commission may elect to conduct a public hearing on a proposed amendment. [SHMC 17.12.020(A)]

C. The Planning Commission shall recommend to the City Council approval, disapproval or modification of the proposed amendment. [SHMC 17.12.020(B)]

D. After receiving the recommendation of the Planning Commission, the City Council shall hold a public hearing on the proposed amendment. [SHMC 17.12.020(C)]

E. All public hearing procedures shall be in accordance with §§ 17.12.120 and 17.12.130. [SHMC 17.12.020(D)]

F. Within five days after a decision has been rendered with reference to an amendment, the City Manager shall provide the applicant with written notice of the decision. Written notice of a decision shall apply to recommendations made by the Planning Commission and to final action made by the City Council. [SHMC 17.12.020(E)]

Findings: As described above, the Planning Commission held a public hearing on these text amendments and made a recommendation to the City Council.

G. SB 1051 (2017). The following are applicable sections of SB 1051 (2017).

a. A city with a population greater than 2,500 or a county with a population greater than 15,000 shall allow in areas zoned for detached single-family dwellings the development of at least one accessory dwelling unit for each detached single-family dwelling, subject to reasonable local regulations relating to siting and design. [SB 1051 (2017), Section 6, (5)(a)]

b. As used in this subsection, "accessory dwelling unit" means an interior, attached or detached residential structure that is used in connection with or that is accessory to a single-family dwelling. [SB 1051 (2017), Section 6, (5)(b)]

c. A city may not deny an application for a housing development located within the

urban growth boundary if the development complies with clear and objective standards, including but not limited to clear and objective design standards contained in the city comprehensive plan or land use regulations. [SB 1051 (2017), Section 3, (4)(b)(A)]

Findings: The amendments included as Attachment A [to the Staff Report presented to the City Council dated June 19, 2018; also included as Exhibit B]; include amendments to all of the City's residential zones that permit detached single-family dwellings. These zones are: R1, R2, R3, R4 R/M(T), and RC zones. The definitions chapter of the SHMC was updated to include the "accessory dwelling unit" (ADU) definition listed in SB 1051. The ADU standards would also include the following clear an objective standards; as permitted under SB 1051:

a. A detached Accessory Dwelling shall not exceed 864 square feet of floor area, or 10% of lot area, whichever is smaller.

b. An attached or interior Accessory Dwelling shall not exceed 864 square feet of floor area, or 75 percent of the primary dwelling's floor area, whichever is smaller. However, Accessory Dwellings that result from the conversion of a level or floor (e.g., basement, attic, or second story) of the primary dwelling may occupy the entire level or floor, even if the floor area of the Accessory Dwelling would be more than 864 square feet.

c. A detached Accessory Dwelling shall have a roof with a minimum pitch of three feet in height for each 12 feet in width.

d. An Accessory dwelling shall be placed on a foundation that meets the requirements of all applicable building codes.

e. One off-street parking space shall be provided for each Accessory Dwelling. In addition, parking shall be increased for the primary dwelling if needed so that the primary dwelling is provided two off-street parking spaces.

f. Unless otherwise specified, Accessory Dwellings shall meet all other development standards (e.g., height, setbacks, lot coverage, etc.) for accessory buildings in the zoning district

These clear and objective standards have been added to each residential zone. They are the product of the Planning Commission work sessions. These are clear and objective, because they do not require the exercise of discretion or legal judgement to determine if a proposal complies with the standards.

H. If a church, synagogue, temple, mosque, chapel, meeting house or other nonresidential place of worship is allowed on real property under state law and rules and local zoning ordinances and regulations, a city shall allow the reasonable use of the real property for activities customarily associated with the practices of the religious activity, including:

a. Worship services.

b. Religion classes.

c. Weddings.

d. Funerals.

e. Meal programs.

f. Child care, but not including private or parochial school education for prekindergarten through grade 12 or higher education.

g. Providing housing or space for housing in a building that is detached from the place of worship, provided:

i. **At least 50 percent of the residential units provided under this paragraph are affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the real property is located;**

ii. **The real property is in an area zoned for residential use that is located within the urban growth boundary; and**

iii. **The housing or space for housing complies with applicable land use regulations and meets the standards and criteria for residential development for the underlying zone.** [SB 1051 (2017), Section 8]

Findings: These standards were added to the following zones: R1, R2, R3, R4, C1, C2, and C3; where churches are permitted through a conditional use permit process. These changes directly implement SB 1051.

The proposed text amendments directly apply the standards of SB 1051. Staff works from the position that state statute is compliant with the Oregon Statewide Planning Goals. Consequently, the proposed text amendments would comply with the Oregon Statewide Planning Goals.

I. **Process Requirement for Affordable Housing. Notwithstanding ORS 215.427 (1) or ORS 227.178 (1), a city with a population greater than 5,000 or a county with a population greater than 25,000 shall take final action on an application qualifying under subsection (3) of this section, including resolution of all local appeals under ORS 215.422 or 227.180, within 100 days after the application is deemed complete.**

J. **An application qualifies for final action within the timeline described in subsection (2) of this section if:**

a. **The application is submitted to the city or the county under ORS 215.416 or 227.175;**

b. **The application is for development of a multifamily residential building containing five or more residential units within the urban growth boundary; (c) At least 50 percent of the residential units included in the development will be sold or rented as affordable housing; and**

c. **The development is subject to a covenant appurtenant that restricts the owner and each successive owner of the development or a residential unit within the development from selling or renting any residential unit described in paragraph (c) of this subsection as housing that is not affordable housing for a period of 60 years from the date of the certificate of occupancy.**

K. **A city or a county shall take final action within the time allowed under ORS 215.427 or 227.178 on any application for a permit, limited land use decision or zone change that does not qualify for review and decision under subsection (3) of this section, including resolution of all appeals under ORS 215.422 or 227.180, as provided by ORS 215.427 and 215.435 or by ORS 227.178 and 227.181.** [SB 1051 (2017), Section 1, (2) through (4)]

Findings: Staff has prepared text amendments to SHMC 17.12.140 that would add the 100 day processing deadline introduced by SB 1051. The proposed text amendments comply with these requirements.

L. **Sweet Home Comprehensive Plan (SHCP).**

a. **SHCP Chapter 4: Residential Lands and Housing**

i. **Policy 10: The maximum net development densities (not including streets), in high density residential areas shall not exceed 35 multi-family dwelling units per acre, based on the standards for unit type.**

ii. **Policy 11: In medium-density residential areas, single-family dwellings and two family dwellings on corner lots would be consistent with the prevailing character of developed areas and compatible with adjoining land use in undeveloped areas. In these areas, the maximum net density shall not exceed 9 dwelling units per acre.**

iii. **Policy 12: The maximum net density (not including streets) in low density residential areas shall not exceed 5.4 dwelling units per acre for single family dwellings.**

Findings: The proposed amendments for accessory dwelling units (ADUs) would increase the number of dwelling units that could be established in all residential zones that permit detached single family dwellings. It is the opinion of staff that this could result in situations where the residential density of dwelling units could exceed those that are specified in the comprehensive plan. SB 1051 (2017) will become state law on July 1, 2018 and will supersede Sweet Home's local requirements. The impact of ADUs will to some degree be mitigated by the clear and objective standards for building size and parking requirements. Staff believes that in order to comply with SB 1051, the city may apply the existing density requirements for single family dwellings; however, state law will require that the City permit at least one ADU per single family dwelling.

(This copy of Exhibit A depicts the changes proposed for the third reading and adoption of Ordinance No. 2 for 2018/Ordinance No. 1270. Additions are underlined. Deletions are in ~~strikethrough~~.)

Exhibit A

Findings in Support of Text Amendments to Sweet Home Municipal Code, Title 17
Legislative Amendment 18-01

REVIEW AND DECISION CRITERIA

The review and decision criteria for ~~a conditional use permit~~the text amendments to Sweet Home Municipal Code, Title 17 for file Legislative Amendment 18-01 are listed below in bold. Findings and analysis are provided under each review and decision criterion.

A. An amendment to the text of the ordinance codified in this title or a legislative zoning map amendment may be initiated by the City Manager, the City Planning Commission, the City Council or a property owner. A quasijudicial zoning map amendment may be initiated by a property owner, a representative of the property owner, the City Manager, the Planning Commission or the City Council. A request for a quasijudicial zone map amendment by a property owner shall be accomplished by filing an application with the City Planner at least 45 days prior to the Planning Commission meeting and using forms prescribed pursuant to § 17.12.100~~.~~. [SHMC 17.12.010]

~~Staff~~ Findings: These amendments to the text of the SHMC were initiated by the Planning Commission in order to address the new state rules that will take effect on July 1, 2018 as a result of passage of SB 1051 (2017).

B. The Planning Commission may elect to conduct a public hearing on a proposed amendment. [SHMC 17.12.020(A)]

C. The Planning Commission shall recommend to the City Council approval, disapproval or modification of the proposed amendment. [SHMC 17.12.020(B)]

D. After receiving the recommendation of the Planning Commission, the City Council shall hold a public hearing on the proposed amendment. [SHMC 17.12.020(C)]

E. All public hearing procedures shall be in accordance with §§ 17.12.120 and 17.12.130. [SHMC 17.12.020(D)]

F. ~~-~~Within five days after a decision has been rendered with reference to an amendment, the City Manager shall provide the applicant with written notice of the decision. Written notice of a decision shall apply to recommendations made by the Planning Commission and to final action made by the City Council. ~~required public facilities have adequate capacity, as determined by the city, to serve the proposed use.~~ [SHMC 17.12.020(E)]

~~Staff~~ Findings: As described above, the Planning Commission held a public hearing on these text amendments and made a recommendation to the City Council.

Formatted: Line spacing: single

Formatted: Add space between paragraphs of the same style, Line spacing: single

Formatted: Line spacing: single

Formatted: Indent: Left: 0.08", Hanging: 0.29", Add space between paragraphs of the same style, Line spacing:

Formatted: Line spacing: single

G. SB 1051 (2017). The following are applicable sections of SB 1051 (2017). ~~The full text is included as Attachment B.~~

a. A city with a population greater than 2,500 or a county with a population greater than 15,000 shall allow in areas zoned for detached single-family dwellings the development of at least one accessory dwelling unit for each detached single-family dwelling, subject to reasonable local regulations relating to siting and design. [SB 1051 (2017), Section 6, (5)(a)]

b. As used in this subsection, "accessory dwelling unit" means an interior, attached or detached residential structure that is used in connection with or that is accessory to a single-family dwelling. [SB 1051 (2017), Section 6, (5)(b)]

c. A city may not deny an application for a housing development located within the urban growth boundary if the development complies with clear and objective standards, including but not limited to clear and objective design standards contained in the city comprehensive plan or land use regulations. [SB 1051 (2017), Section 3, (4)(b)(A)]

~~Staff~~ Findings: The amendments included as Attachment A [to the Staff Report presented to the City Council dated June 19, 2018; also included as Exhibit B]; include amendments to all of the City's residential zones that permit detached single-family dwellings. These zones are: R1, R2, R3, R4 R/M(T), and RC zones. The definitions chapter of the SHMC was updated to include the "accessory dwelling unit" (ADU) definition listed in SB 1051. The ADU standards would also include the following clear an objective standards; as permitted under SB 1051:

a. A detached Accessory Dwelling shall not exceed 864 square feet of floor area, or 10% of lot area, whichever is smaller.

b. An attached or interior Accessory Dwelling shall not exceed 864 square feet of floor area, or 75 percent of the primary dwelling's floor area, whichever is smaller. However, Accessory Dwellings that result from the conversion of a level or floor (e.g., basement, attic, or second story) of the primary dwelling may occupy the entire level or floor, even if the floor area of the Accessory Dwelling would be more than 864 square feet.

c. A detached Accessory Dwelling shall have a roof with a minimum pitch of three feet in height for each 12 feet in width.

d. An Accessory dwelling shall be placed on a foundation that meets the requirements of all applicable building codes.

e. One off-street parking space shall be provided for each Accessory Dwelling. In addition, parking shall be increased for the primary dwelling if needed so that the primary dwelling is provided two off-street parking spaces.

f. Unless otherwise specified, Accessory Dwellings shall meet all other development standards (e.g., height, setbacks, lot coverage, etc.) for accessory buildings in the zoning district

These clear and objective standards have been added to each residential zone. They are the product of the Planning Commission work sessions. These are clear and objective, because they do not require the exercise of discretion or legal judgement to determine if a proposal complies with the standards.

~~g.~~ H. If a church, synagogue, temple, mosque, chapel, meeting house or other nonresidential place of worship is allowed on real property under state law and rules and local zoning

Formatted: Add space between paragraphs of the same style, Line spacing: single, Tab stops: 0.38", Left

Formatted: Add space between paragraphs of the same style, Line spacing: single

Formatted: Line spacing: single

Formatted: Add space between paragraphs of the same style, Line spacing: single

Formatted: Line spacing: single

Formatted: Add space between paragraphs of the same style, Line spacing: single, Tab stops: 0.38", Left

ordinances and regulations, a ~~county~~ city shall allow the reasonable use of the real property for activities customarily associated with the practices of the religious activity, including ~~[worship services, religion classes, weddings, funerals, child care and meal programs, but not including private or parochial school education for prekindergarten through grade 12 or higher education.]~~:

~~i.~~a. Worship services.

~~ii.~~b. Religion classes.

~~iii.~~c. Weddings.

~~iv.~~d. Funerals.

~~v.~~e. Meal programs.

~~vi.~~f. Child care, but not including private or parochial school education for prekindergarten through grade 12 or higher education.

~~vii.~~g. Providing housing or space for housing in a building that is detached from the place of worship, provided:

~~a.~~i. At least 50 percent of the residential units provided under this paragraph are affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the real property is located;

~~b.~~ii. The real property is in an area zoned for residential use that is located within the urban growth boundary; and

~~c.~~iii. The housing or space for housing complies with applicable land use regulations and meets the standards and criteria for residential development for the underlying zone. [SB 1051 (2017), Section ~~8~~7]

~~Staff~~ Findings: These standards were added to the following zones: R1, R2, R3, R4, C1, C2, and C3; where churches are permitted through a conditional use permit process. These changes directly implement SB 1051.

The proposed text amendments directly apply the standards of SB 1051. Staff works from the position that state statute is compliant with the Oregon Statewide Planning Goals. Consequently, the proposed text amendments would comply with the Oregon Statewide Planning Goals.

~~B.~~I. Process Requirement for Affordable Housing. ~~(2)~~ Notwithstanding ORS 215.427 (1) or ORS 227.178 (1), a city with a population greater than 5,000 or a county with a population greater than 25,000 shall take final action on an application qualifying under subsection (3) of this section, including resolution of all local appeals under ORS 215.422 or 227.180, within 100 days after the application is deemed complete.

~~C.~~J. ~~(3)~~ An application qualifies for final action within the timeline described in subsection (2) of this section if:

~~i.~~a. ~~(a)~~ The application is submitted to the city or the county under ORS 215.416 or 227.175;

~~ii.~~b. ~~(b)~~ The application is for development of a multifamily residential building containing five or more residential units within the urban growth boundary; (c) At least 50 percent of the residential units included in the development will be sold or rented as affordable housing; and

Formatted: Line spacing: single

Formatted: Indent: Left: 0", Add space between paragraphs of the same style, Line spacing: single

Formatted: Add space between paragraphs of the same style, Line spacing: single, Numbered + Level: 1 + Numbering Style: A, B, C, … + Start at: 1 + Alignment: Left + Aligned at: 0.08" + Indent at: 0.38"

Formatted: Indent: Left: 0.38", Hanging: 0.25", Add space between paragraphs of the same style, Line spacing: single, Numbered + Level: 1 + Numbering Style: a, b, c, … + Start at: 1 + Alignment: Left + Aligned at: 0.38" + Indent at: 0.5", Tab stops: 0.63", Left

~~iii.~~c. ~~(d)~~ **The development is subject to a covenant appurtenant that restricts the owner and each successive owner of the development or a residential unit within the development from selling or renting any residential unit described in paragraph (c) of this subsection as housing that is not affordable housing for a period of 60 years from the date of the certificate of occupancy.**

~~D.~~K. ~~(4)~~ **A city or a county shall take final action within the time allowed under ORS 215.427 or 227.178 on any application for a permit, limited land use decision or zone change that does not qualify for review and decision under subsection (3) of this section, including resolution of all appeals under ORS 215.422 or 227.180, as provided by ORS 215.427 and 215.435 or by ORS 227.178 and 227.181.** [SB 1051 (2017), Section 1, (2) through (4)]

~~Staff~~ Findings: Staff has prepared text amendments to SHMC 17.12.140 that would add the 100 day processing deadline introduced by SB 1051. The proposed text amendments comply with these requirements.

~~E.~~L. **Sweet Home Comprehensive Plan (SHCP).**

a. **SHCP Chapter 4: Residential Lands and Housing**

i. **Policy 10: The maximum net development densities (not including streets), in high density residential areas shall not exceed 35 multi-family dwelling units per acre, based on the standards for unit type.**

ii. **Policy 11: In medium-density residential areas, single-family dwellings and two family dwellings on corner lots would be consistent with the prevailing character of developed areas and compatible with adjoining land use in undeveloped areas. In these areas, the maximum net density shall not exceed 9 dwelling units per acre.**

iii. **Policy 12: The maximum net density (not including streets) in low density residential areas shall not exceed 5.4 dwelling units per acre for single family dwellings.**

~~Staff~~ Findings: The proposed amendments for accessory dwelling units (ADUs) would increase the number of dwelling units that could be established in all residential zones that permit detached single family dwellings. It is the opinion of staff that this could result in situations where the residential density of dwelling units could exceed those that are specified in the comprehensive plan. SB 1051 (2017) will become state law on July 1, 2018 and will supersede Sweet Home's local requirements. The impact of ADUs will to some degree be mitigated by the clear and objective standards for building size and parking requirements. Staff believes that in order to comply with SB 1051, the city may apply the existing density requirements for single family dwellings; however, state law will require that the City permit at least one ADU per single family dwelling.

Formatted: Add space between paragraphs of the same style, Line spacing: single, Numbered + Level: 1 + Numbering Style: A, B, C, … + Start at: 1 + Alignment: Left + Aligned at: 0.08" + Indent at: 0.38"

Formatted: Add space between paragraphs of the same style, Line spacing: single

Formatted: Line spacing: single

Formatted: Add space between paragraphs of the same style, Line spacing: single

Formatted: Add space between paragraphs of the same style, Line spacing: single, Numbered + Level: 1 + Numbering Style: A, B, C, … + Start at: 1 + Alignment: Left + Aligned at: 0.08" + Indent at: 0.38", Tab stops: 0.38",

Formatted: Line spacing: single

Exhibit B

The below set forth definition, subsections, and sections of the Sweet Home Municipal Code, Title 17 are amended and created to read as follows:

CHAPTER 17.04: TITLE, PURPOSE AND DEFINITIONS

SHMC 17.04.030; DEFINITIONS.

***ACCESSORY DWELLING*.** An interior, attached, or detached residential structure that is used in connection with, or that is accessory to, a single-family dwelling.

CHAPTER 17.08: GENERAL PROVISIONS

SHMC 17.08.090(H)(1); OFF-STREET PARKING REQUIREMENTS

Use	***Space Requirement***
1. Single-, two- and multi-family dwelling (excluding Accessory Dwellings) Accessory Dwelling	Two spaces per dwelling unit One space per Accessory Dwelling unit

---

CHAPTER 17.12: ADMINISTRATION AND ENFORCEMENT

SHMC 17.12.140(B) and (E); GENERAL ADMINISTRATIVE PROVISIONS.

B. The city shall take final action on all land use actions, limited land use actions or zone change applications including all appeals, within 100 days of completion of the application for all applications listed under ORS 197.311 or within 120 days of completion of the application for all other land use actions, limited land use actions or zone change applications that do not also require a comprehensive plan amendment. Applications or appeals which require consideration by agencies or entities outside the city jurisdiction are excepted from this deadline. The 120-day deadline may be extended for a reasonable amount of time at the request of the applicant.

E. If an application is not acted upon within the time period specified in subsection (B) of this section:

1. The city shall refund to the applicant either the unexpended portion of any application fees previously paid or 50% of the total amount of the fees, whichever is greater.
2. The applicant may apply in the Circuit Court of Linn County for a writ of mandamus to compel the city to issue the approval.

CHAPTER 17.24: R-1 RESIDENTIAL LOW-DENSITY ZONE

SHMC 17.24.020(D); USES PERMITTED OUTRIGHT.

D. Accessory Dwelling. A maximum of one Accessory Dwelling is allowed per legal single-family dwelling. The unit may be a detached building, in a portion of a detached accessory building (e.g., above a garage or workshop), or a unit attached or interior to the primary dwelling (e.g., an addition or the conversion of an existing floor); subject to the following standards:

1. A detached Accessory Dwelling shall not exceed 864 square feet of floor area, or 10% of lot area, whichever is smaller.
2. An attached or interior Accessory Dwelling shall not exceed 864 square feet of floor area, or 75 percent of the primary dwelling's floor area, whichever is smaller. However, Accessory Dwellings that result from the conversion of a level or floor (e.g., basement, attic, or second story) of the primary dwelling may occupy the entire level or floor, even if the floor area of the Accessory Dwelling would be more than 864 square feet.
3. A detached Accessory Dwelling shall have a roof with a minimum pitch of three feet in height for each 12 feet in width.
4. An Accessory Dwelling shall be placed on a foundation that meets the requirements of all applicable building codes.
5. One off-street parking space shall be provided for each Accessory Dwelling. In addition, parking shall be increased for the primary dwelling if needed so that the primary dwelling is provided two off-street parking spaces.
6. Unless otherwise specified, Accessory Dwellings shall meet all other development standards (e.g., height, setbacks, lot coverage, etc.) for accessory buildings in the zoning district.

SHMC 17.24.030(C) and (K); CONDITIONAL USES PERMITTED.

C. Church, religious or philanthropic institution; including activities customarily associated with the practices of the religious activity, including:

1. Worship services.
2. Religion classes.
3. Weddings.
4. Funerals.
5. Meal programs.
6. Child care, but not including private or parochial school education for prekindergarten through grade 12 or higher education.
7. Providing housing or space for housing in a building that is detached from the place of worship, provided:
    a. At least 50 percent of the residential units provided under this paragraph are affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the real property is located;
    b. The real property is in an area zoned for residential use that is located within the urban growth boundary; and
    c. The housing or space for housing complies with applicable land use regulations and meets the standards and criteria for residential development for the underlying zone.
8. Housing and space for housing provided under subsection (7) of this section must be subject to a covenant appurtenant that restricts the owner and each successive owner of the building or any residential unit contained in the building from selling or renting any residential unit described in subsection (7)(a) of this section as housing that is not affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the real property is located for a period of 60 years from the date of the certificate of occupancy.

K. [Reserved for Expansion];

SHMC 17.24.050(F); YARD SETBACKS.

F. Regardless of the side and rear yard requirements of the zone, an accessory structure, excluding detached Accessory Dwellings, may be built to within five feet of side or rear lot line; provided, the structure is more than 70 feet from the street abutting the front yard and 20 feet from the street abutting the street side yard.

SHMC 17.24.070(A) and (B); BUILDING HEIGHT.

A. The height of a building for a dwelling, excluding detached Accessory Dwellings, shall not exceed a height of 30 feet.

B. Accessory structures, including detached Accessory Dwellings, shall not exceed 20 feet in height at the apex of the roof.

SHMC 17.24.080; MINIMUM BUILDING SIZE.

Dwellings, excluding Accessory Dwellings, in the R-1 zone shall be a minimum size of 1,000 square feet.

SHMC 17.24.090(A) through (D); HOMES ON INDIVIDUAL LOTS.

A. A home, including Accessory Dwellings, shall be placed on a foundation enclosed at the perimeter with no more than 24 inches of the enclosing material exposed above grade. Where the building site has a sloped grade, no more than 24 inches of the enclosing material shall be exposed on the uphill side of the home. If the home is placed on a basement, the 24-inch limitation will not apply.

B. The base of a home, including Accessory Dwellings, must be enclosed continuously at the perimeter with either concrete, concrete block, brick, stone, or combination thereof, or shall have continuous skirting which matches the exterior.

C. A home, excluding Accessory Dwellings, shall have a nominal width of at least 28 feet.

D. A home, including Accessory Dwellings, shall have a roof with a minimum pitch of three feet in height for each 12 feet in width.

SHMC 17.24.100; GARAGE AND OFF-STREET PARKING REQUIREMENTS.

All dwellings, excluding Accessory Dwellings, in the R-1 zone will have at minimum the following:

A. A garage or carport; and

B. Two hard surfaced off-street parking spaces shall be provided.

CHAPTER 17.28: R-2 RESIDENTIAL HIGH-DENSITY ZONE

SHMC 17.28.070(C); BUILDING HEIGHT.

C. Accessory structures, including detached Accessory Dwellings, shall not exceed 20 feet in height at the apex of the roof.

SHMC 17.28.080; MINIMUM BUILDING SIZE.

Dwellings, excluding Accessory Dwellings, in the R-2 zone shall have a minimum building size of 720 square feet.

SHMC 17.28.090(A) through (D); HOMES ON INDIVIDUAL LOTS.

A. A home, including Accessory Dwellings, shall be placed on a foundation enclosed at the perimeter with no more than 32 inches of the enclosing material exposed above grade. Where the building site has a sloped grade, no more than 32 inches of the enclosing material shall be exposed on the uphill side of the home. If the home is placed on a basement, the 32 inch limitation will not apply.

B. The base of a home, including Accessory Dwellings, must be enclosed continuously at the perimeter with either concrete, concrete block, brick, stone or combination thereof, or shall have continuous skirting which matches the exterior.

C. A home, excluding Accessory Dwellings, shall have a nominal width of at least 24 feet.

D. A home, including Accessory Dwellings, shall have a roof with a minimum pitch of three feet in height for each 12 feet in width.

SHMC 17.28.100(A); GARAGE AND OFF STREET PARKING REQUIREMENTS.

A. All single-family, two-family and single-family attached dwellings, excluding Accessory Dwellings, will have, at minimum, the following:

1. A garage or carport; and
2. Two hard surfaced off-street parking spaces shall be provided.

CHAPTER 17.30: R-3 MEDIUM DENSITY RESIDENTIAL ZONE

SHMC 17.30.050(A); YARDS.

A. Single-family and two-family dwelling units, including Accessory Dwellings:

1. The front shall be a minimum of 20 feet;
2. Each side shall be a minimum of five feet;
3. The street side yard shall be a minimum of 15 feet;
4. The rear shall be a minimum of ten feet;
5. On a flag lot, the inset front yard setback shall be a minimum of ten feet; and
6. No building shall be located closer than one-half the distance of the right-of-way projected for the abutting street, based on the street classification, plus the required front setback from a centerline of a street other than an alley.

SHMC 17.30.060(A); LOT COVERAGE.

A. A single-family dwelling, not including an associated detached Accessory Dwelling, shall not exceed 35% of the land area.

SHMC 17.30.070(C); BUILDING HEIGHT.

C. Accessory structures, including detached Accessory Dwellings, shall not exceed 20 feet in height at the apex of the roof.

SHMC 17.30.080; MINIMUM BUILDING SIZE.

Primary use buildings, which do not include Accessory Dwellings, shall have a minimum building size of 850 square feet.

SHMC 17.30.090(A) through (D); STANDARDS FOR HOMES ON INDIVIDUAL LOTS.

A. A home, including Accessory Dwellings, shall be placed on a foundation enclosed at the perimeter with no more than 32 inches of the enclosing material exposed above grade. Where the building site has a sloped grade, no more than 32 inches of the enclosing material shall be exposed on the uphill side of the home. If the home is placed on a basement, the 32-inch limitation will not apply.

B. The base of a home, including Accessory Dwellings, must be enclosed continuously at the perimeter with either concrete, concrete block, brick, stone or combination thereof, or shall have continuous skirting which matches the exterior.

C. A home, excluding Accessory Dwellings, shall have a nominal width of at least 24 feet.

D. A home, including Accessory Dwellings, shall have a roof with a minimum pitch of three feet in height for each 12 feet in width.

SHMC 17.30.100; GARAGE AND OFF STREET PARKING REQUIREMENTS.

All dwellings, excluding Accessory Dwellings, will have at minimum the following:

A. A garage or carport; and

B. One hard surfaced off-street parking spaces shall be provided.

CHAPTER 17.31: R-4 RESIDENTIAL MIXED USE ZONE

SHMC 17.31.030(A); CONDITIONAL USES PERMITTED.

A. Church, non-profit religious or philanthropic institution; including activities customarily associated with the practices of the religious activity, including:

1. Worship services.
2. Religion classes.
3. Weddings.
4. Funerals.
5. Meal programs.
6. Child care, but not including private or parochial school education for prekindergarten through grade 12 or higher education.
7. Providing housing or space for housing in a building that is detached from the place of worship, provided:
    a. At least 50 percent of the residential units provided under this paragraph are affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the real property is located;
    b. The real property is in an area zoned for residential use that is located within the urban growth boundary; and
    c. The housing or space for housing complies with applicable land use regulations and meets the standards and criteria for residential development for the underlying zone.
8. Housing and space for housing provided under subsection (7) of this section must be subject to a covenant appurtenant that restricts the owner and each successive owner of the building or any residential unit contained in the building from selling or renting any residential unit described in subsection (7)(a) of this section as housing that is not affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the real property is located for a period of 60 years from the date of the certificate of occupancy.

SHMC 17.31.040(A)(1) and (2); DEVELOPMENT STANDARDS.

A. The following special standards shall apply.

1. Residential uses, not including Accessory Dwellings, shall be subject to a maximum density of 35 dwelling units per acre.

2. Residential uses, including Accessory Dwellings, shall be subject to the lot size and width, yard, lot coverage and building height requirements of the R-2 zone.

CHAPTER 17.32: C-1 COMMERCIAL CENTRAL ZONE

SHMC 17.32.030(A); CONDITIONAL USES PERMITTED.

A. Church, nonprofit religious or philanthropic institution; including activities customarily associated with the practices of the religious activity, including:

1. Worship services.

2. Religion classes.

3. Weddings.

4. Funerals.

5. Meal programs.

6. Child care, but not including private or parochial school education for prekindergarten through grade 12 or higher education.

7. Providing housing or space for housing in a building that is detached from the place of worship, provided:

   a. At least 50 percent of the residential units provided under this paragraph are affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the real property is located;

   b. The real property is in an area zoned for residential use that is located within the urban growth boundary; and

c. The housing or space for housing complies with applicable land use regulations and meets the standards and criteria for residential development for the underlying zone.

8. Housing and space for housing provided under subsection (7) of this section must be subject to a covenant appurtenant that restricts the owner and each successive owner of the building or any residential unit contained in the building from selling or renting any residential unit described in subsection (7)(a) of this section as housing that is not affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the real property is located for a period of 60 years from the date of the certificate of occupancy.

CHAPTER 17.36: C-2 COMMERCIAL HIGHWAY ZONE

SHMC 17.36.030(A); CONDITIONAL USES PERMITTED.

A. Church, non-profit religious or philanthropic institution; including activities customarily associated with the practices of the religious activity, including:

1. Worship services.
2. Religion classes.
3. Weddings.
4. Funerals.
5. Meal programs.
6. Child care, but not including private or parochial school education for prekindergarten through grade 12 or higher education.
7. Providing housing or space for housing in a building that is detached from the place of worship, provided:

a. At least 50 percent of the residential units provided under this paragraph are affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the real property is located;

b. The real property is in an area zoned for residential use that is located within the urban growth boundary; and

c. The housing or space for housing complies with applicable land use regulations and meets the standards and criteria for residential development for the underlying zone.

8. Housing and space for housing provided under subsection (7) of this section must be subject to a covenant appurtenant that restricts the owner and each successive owner of the building or any residential unit contained in the building from selling or renting any residential unit described in subsection (7)(a) of this section as housing that is not affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the real property is located for a period of 60 years from the date of the certificate of occupancy.

CHAPTER 17.40: C-3 COMMERCIAL NEIGHBORHOOD ZONE

SHMC 17.40.030(A); CONDITIONAL USES PERMITTED.

A. Church, non-profit religious or philanthropic institution; including activities customarily associated with the practices of the religious activity, including:

1. Worship services.
2. Religion classes.
3. Weddings.
4. Funerals.
5. Meal programs.
6. Child care, but not including private or parochial school education for prekindergarten through grade 12 or higher education.
7. Providing housing or space for housing in a building that is detached from the place of worship, provided:

   a. At least 50 percent of the residential units provided under this paragraph are affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the real property is located;

b. The real property is in an area zoned for residential use that is located within the urban growth boundary; and

c. The housing or space for housing complies with applicable land use regulations and meets the standards and criteria for residential development for the underlying zone

8. Housing and space for housing provided under subsection (7) of this section must be subject to a covenant appurtenant that restricts the owner and each successive owner of the building or any residential unit contained in the building from selling or renting any residential unit described in subsection (7)(a) of this section as housing that is not affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the real property is located for a period of 60 years from the date of the certificate of occupancy.

CHAPTER 17.60: RC RECREATION COMMERCIAL ZONE

17.60.020(O); USES PERMITTED OUTRIGHT.

O. Accessory Dwelling. A maximum of one Accessory Dwelling is allowed per legal single-family dwelling. The unit may be a detached building, in a portion of a detached accessory building (e.g., above a garage or workshop), or a unit attached or interior to the primary dwelling (e.g., an addition or the conversion of an existing floor); subject to the following standards:

1. A detached Accessory Dwelling shall not exceed 864 square feet of floor area, or 10% of lot area, whichever is smaller.
2. An attached or interior Accessory Dwelling shall not exceed 864 square feet of floor area, or 75 percent of the primary dwelling's floor area, whichever is smaller. However, Accessory Dwellings that result from the conversion of a level or floor (e.g., basement, attic, or second story) of the primary dwelling may occupy the entire level or floor, even if the floor area of the Accessory Dwelling would be more than 864 square feet.
3. A detached Accessory Dwelling shall have a roof with a minimum pitch of three feet in height for each 12 feet in width.
4. An Accessory dwelling shall be placed on a foundation that meets the requirements of all applicable building codes.

5. One off-street parking space shall be provided for each Accessory Dwelling. In addition, parking shall be increased for the primary dwelling if needed so that the primary dwelling is provided two off-street parking spaces.
6. Unless otherwise specified, Accessory Dwellings shall meet all other development standards (e.g., height, setbacks, lot coverage, etc.) for accessory buildings in the zoning district.

SHMC 17.60.040(A); SPECIAL STANDARDS.

A. Single-family dwellings and accessory uses, including Accessory Dwellings, shall meet the following minimum standards.
   1. Minimum lot size shall be 8,000 square feet.
   2. Minimum lot width shall be 80 feet.
   3. Minimum yard setbacks:
      a. Front, from either a public or private street, shall be a minimum of 20 feet;
      b. Side shall be a minimum five feet with a combined minimum of 13 feet;
      c. Street side shall be minimum of 15 feet;
      d. A garage shall have a minimum setback of 20 feet from the point of access to the vehicle doors; and
      e. Rear shall be a minimum of 15 feet.
   4. Detached Accessory Dwellings shall not exceed 20 feet in height at the apex of the roof. All other buildings shall not exceed 30 feet in height.
   5. Building coverage shall not exceed 35% of the land area.
   6. A carport or garage is required for each single-family dwelling; not including Accessory Dwellings.
   7. Off-street parking will be based on the city parking standards.

CHAPTER 17.68: R/M(T) RESIDENTIAL INDUSTRIAL TRANSITIONAL

SHMC 17.68.030(D); USES PERMITTED.

D. Accessory Dwelling. A maximum of one Accessory Dwelling is allowed per legal single-family dwelling. The unit may be a detached building, in a portion of a detached accessory building (e.g., above a garage or workshop), or a unit attached or interior to the primary dwelling (e.g., an addition or the conversion of an existing floor); subject to the following standards:

1. A detached Accessory Dwelling shall not exceed 864 square feet of floor area, or 10% of lot area, whichever is smaller.
2. An attached or interior Accessory Dwelling shall not exceed 864 square feet of floor area, or 75 percent of the primary dwelling's floor area, whichever is smaller. However, Accessory Dwellings that result from the conversion of a level or floor (e.g., basement, attic, or second story) of the primary dwelling may occupy the entire level or floor, even if the floor area of the Accessory Dwelling would be more than 864 square feet.
3. A detached Accessory Dwelling shall have a roof with a minimum pitch of three feet in height for each 12 feet in width.
4. One off-street parking space shall be provided for each Accessory Dwelling. In addition, parking shall be increased for the primary dwelling if needed so that the primary dwelling is provided two off-street parking spaces.
5. Unless otherwise specified, Accessory Dwellings shall meet all other development standards (e.g., height, setbacks, lot coverage, etc.) for accessory buildings in the zoning district.

REQUEST FOR COUNCIL ACTION

PREFERRED AGENDA:	TITLE:	TYPE OF ACTION:
June 26, 2018	Public Hearing on Text Amendments to Implement SB 1051 (2017); Planning File LA 18-01	___ RESOLUTION _X_ MOTION ___ OTHER
SUBMITTED BY: Jerry Sorte, CED Director		
REVIEWED BY: R. Towry, City Manager	**ATTACHMENTS:** Staff Report; including the proposed text amendments and SB 1051 (2017)	

PURPOSE OF THIS RCA:

The purpose of this RCA is to provide background information for the City Council; so that the Council can make an informed decision on proposed text amendments to Title 17 of the Sweet Home Municipal Code (SHMC); Zoning Ordinance.

BACKGROUND/CONTEXT:

This legislative amendment consists of text amendments to Title 17 of the SHMC; Zoning Ordinance. The text amendments implement the changes to the Oregon Revised Statutes (ORS) resulting from the passage of SB 1051 (2017). SB 1051 (2017) will take effect on July 1, 2018. The proposed changes to the SHMC include new standards for accessory dwellings (ADUs) in zones that permit single family dwellings, as well as changes to the time requirement to process certain affordable housing applications. The text amendments include updated definitions of the uses that may be permitted as a part of church use.

This proposal includes amendments to the following chapters of the SHMC: 17.04; Title, Purpose and Definitions; 17.12 Administration and Enforcement; 17.08; General Provisions; 17.24; R-1, Residential Low-Density Zone, 17.28, R-2 Residential High-Density Zone; 17.30 R-3 Medium Density Residential Zone; 17.31 R-4 Residential Mixed Use Zone; 17.60 RC Recreation Commercial Zone; 17.68 R/M(T) Residential Industrial Transitional Zone; C-1 Commercial Central Zone; C-2 Commercial Highway Zone; C-3 Commercial Neighborhood Zone.

The Planning Commission held a public hearing on this legislative amendment on June 4, 2018. The Planning Commission provided an opportunity for the public to submit testimony, deliberated on this matter, and voted 5-0, 1 absent, to recommend that the City Council adopt the proposed amendments.

The Staff Report for this project is included as Exhibit 1 to this RCA, and contains additional background information and a review of the proposal under the criteria for a text amendment. The proposed text amendments, a copy of Senate Bill 1051 (2017), and the Oregon Department of Land Conservation and Development's (DLCD) guidance on implementation of the ADU standards are included as attachments to the Staff Report.

THE CHALLENGE/PROBLEM:

The question before the City Council is whether the proposed text amendments to the SHMC adequately implement Senate Bill 1051(2017).

STAKEHOLDERS:

- City of Sweet Home Residents – The proposed text amendments would impact the City's residential zones by permitting one ADU for each single family dwelling.
- Developers and Property Owners –Owners of residential properties may benefit from these text amendments. They may choose to construct an ADU on their property. Those seeking to establish a church through a conditional use permit process may also be able to establish an expanded list of associated uses.

ISSUES & FINANCIAL IMPACTS:

1. Issues: If the City takes no action, SB 1051 will still take effect on July 1, 2018. The City would need to apply the new provisions of statute directly. This would likely lead to placing a 864 square foot building size limitation on the ADU, consistent with the City's standards for accessory structures, and requiring one or two off-street parking spaces per ADU based on the zone. The proposed text amendments would clarify the standards for ADUs for both developers and staff. The proposed text amendments would also incorporate the other changes resulting from passage of SB 1051 with respect to the list of uses that can be included as church use and the permit processing time requirement for certain affordable housing applications.

   If the City Council approves the proposed amendments, either as written or with modifications, those changes to the SHMC would need to be adopted by ordinance. The ordinance would not take effect until July 24, 2018 at the earliest. The City would need to apply SB 1051 directly during the period between July 1, 2018, when SB 1051 takes effect, and the effective date of the amendments to the SHMC.

2. Financial Impacts: If approved, the text amendments may result in the placement of ADUs in residential zones. This may increase the assessed property values of residential properties and add utility customers. Additional residents would also increase the demand for City services; including police, library, street, water, and wastewater services.

ELEMENTS OF A STABLE SOLUTION:

Public hearing and adoption of language that updates the Sweet Home Development Code, SHMC Title 17, to be congruent with the recommendation of the Planning Commission and intent of SB 1051.

OPTIONS:

1. *Move to approve the text amendments to Title 17 of the SHMC included as Attachment A to the Staff Report.*
2. *Move to approve the text amendments to Title 17 of the SHMC included as Attachment A with changes (specify);*
3. *Move to continue the public hearing in order to consider the information in the record or to gather additional information (specify date, time, and location)*;
4. *Take no action*; in which case staff would apply Senate Bill 1051 (2017) directly; or
5. *Other*

If these text amendments are approved, staff would prepare an ordinance for consideration by the City Council at a future City Council meeting.

RECOMMENDATION:

Staff recommends that the City Council hold a public hearing on these applications. Following the public hearing and based on the information submitted in the record to date, staff recommends that City Council then follow Option 1 and move to approve the text amendments to Title 17 of the SHMC included as Attachment A to the Staff Report.

EXHIBITS:

Exhibit 1 - Staff report dated June 19, 2018; which includes the following attachments:
- A. Proposed Text Amendments
- B. SB 1051 (2017) Enrolled; Effective July 1, 2018
- C. DLCD Press Release March 8, 2018. Guidance on ADUs
- D. DLCD Guidance on Implementing the Accessory Dwelling Units (ADU) Requirement Under Oregon Senate Bill 1051.

City of Sweet Home
1140 12th Avenue
Sweet Home, OR 97386
541-367-8113
Fax 541-367-5113
www.ci.sweet-home.or.us

Community and Economic Development Department

Exhibit 1
Staff Report Presented to the City Council

This legislative amendment consists of text amendments to Title 17 of the Sweet Home Municipal Code (SHMC); Zoning Ordinance. The text amendments implement the changes to the Oregon Revised Statutes (ORS) resulting from the passage of SB 1051 (2017). The proposed changes to the SHMC include new standards for accessory dwellings in zones that permit single family dwellings, as well as changes to the time requirement to process certain affordable housing applications. The text amendments include updated definitions of the uses that are included as a part of church.

This proposal includes amendments to following chapters of the SHMC: 17.04; Title, Purpose and Definitions; 17.12 Administration and Enforcement; 17.08; General Provisions; 17.24; R-1, Residential Low-Density Zone, 17.28, R-2 Residential High-Density Zone; 17.30 R-3 Medium Density Residential Zone; 17.31 R-4 Residential Mixed Use Zone; 17.60 RC Recreation Commercial Zone; 17.68 R/M(T) Residential Industrial Transitional Zone; C-1 Commercial Central Zone; C-2 Commercial Highway Zone; C-3 Commercial Neighborhood Zone.

The Planning Commission held a public hearing on this legislative amendment on June 4, 2018. The Planning Commission received testimony and unanimously voted to recommend that the City Council adopt the proposed amendments.

FILE NUMBER:	LA 18-01
REVIEW AND DECISION CRITERIA:	Sweet Home Municipal Code Section(s): 17.12.010; 17.12.020; SB 1051 (2017); Sweet Home Comprehensive Plan
CITY COUNCIL HEARING DATE &TIME:	June 26, 2018 at 6:30 PM
LOCATION OF HEARING:	City Hall Annex, Council Chambers behind City Hall at 1140 12th Avenue, Sweet Home, Oregon 97386
STAFF CONTACT:	Jerry Sorte, CED Director. Phone: (541) 367-8113; Email: jsorte@ci.sweet-home.or.us
WEBSITE PROJECT PAGE:	https://www.sweet-home.or.us/ced/page/current-projects
REPORT DATE:	June 19, 2018

I. PROJECT DESCRIPTION AND BACKGROUND

During the 2017 legislative session, the Oregon Legislature passed Senate Bill (SB) 1051. See Attachment B. SB 1051 takes effect on July 1, 2018. In summary, SB 1051 includes the following changes to the Oregon Revised Statutes (ORS):

1. Applications for certain affordable housing projects must be completed within 100 days after the application is deemed complete;

2. "Need housing," which must be subject to "clear and objective" standards now includes all housing; including Accessory Dwelling Units (ADUs).
3. The city shall provide “one accessory dwelling unit for each detached single-family dwelling, subject to reasonable local regulations relating to siting and design.”
4. As defined in SB 1051: “accessory dwelling unit” means an interior, attached or detached residential structure that is used in connection with or that is accessory to a single-family dwelling
5. Specific accessory uses shall be authorized in conjunction with a church.

If the City takes no action, we would need to apply the statute directly. Under our current rules the 864 square foot building size limitation would apply to a detached ADU (SHMC 17.08.030(D)). One to two off-street parking spaces would be required depending on the zone, and an owner occupancy requirement would not apply. “Accessory dwellings” are currently allowed as conditional uses in the R-1, R-2, and R-3 zones.

The Planning Commission held work sessions on February 5, 2018 and April 2, 2018 to discuss the implications of SB 1051, and to discuss the changes that should be made to reflect those amendments. The Planning Commission considered the guidance that was provided by the Oregon Department of Land Conservation and Development; included as Attachments C and D. Staff prepared text amendments to the SHMC that were intended to apply SB 1051 (2017) according to the instructions provided by the Planning Commission. The proposed amendments are provided as Attachment A.

The Planning Commission held a public hearing on this legislative amendment on June 4, 2018. The Planning Commission received testimony and unanimously voted to recommend that the City Council adopt the proposed amendments included as Attachment A. The City Council will hold a public hearing on this matter on June 26, 2018.

The SHMC does not provide a public notification process for text amendments to the text of the SHMC. Staff provided notice to the Department of Land Conservation and Development on the proposed amendments (Form 1 notice) on April 16, 2018. Notice was posted to the Sweet Home website and emailed to interested parties that have requested email notifications of public meetings on May 11, 2018. Notification was emailed to service organizations and the Planning Commission on May 15, 2018. Notification of this public hearing was published in the New Era Newspaper on May 16, 2018, and is also scheduled to be printed in the June 20, 2018 newspaper.

II. COMMENTS

Staff has not received comments on this application as of the writing of this staff report.

III. REVIEW AND DECISION CRITERIA

The review and decision criteria for a conditional use permit are listed below in bold. Findings and analysis are provided under each review and decision criterion.

A. An amendment to the text of the ordinance codified in this title or a legislative zoning map amendment may be initiated by the City Manager, the City Planning Commission, the City Council or a property owner. A quasijudicial zoning map amendment may be initiated by a property owner, a representative of the property owner, the City Manager, the Planning Commission or the City Council. A request for a quasijudicial zone map amendment by a property owner shall be accomplished by filing an application with the City Planner at least 45 days prior to the Planning Commission meeting and using forms prescribed pursuant to § 17.12.100.. [SHMC 17.12.010]

Staff Findings: These amendments to the text of the SHMC were initiated by the Planning Commission in order to address the new state rules that will take effect on July 1, 2018 as a result of passage of SB 1051 (2017).

B. The Planning Commission may elect to conduct a public hearing on a proposed amendment. [SHMC 17.12.020(A)]

C. The Planning Commission shall recommend to the City Council approval, disapproval or modification of the proposed amendment. [SHMC 17.12.020(B)]

D. After receiving the recommendation of the Planning Commission, the City Council shall hold a public hearing on the proposed amendment. [SHMC 17.12.020(C)]

E. All public hearing procedures shall be in accordance with §§ 17.12.120 and 17.12.130. [SHMC 17.12.020(D)]

F. Within five days after a decision has been rendered with reference to an amendment, the City Manager shall provide the applicant with written notice of the decision. Written notice of a decision shall apply to recommendations made by the Planning Commission and to final action made by the City Council. required public facilities have adequate capacity, as determined by the city, to serve the proposed use. [SHMC 17.12.020(E)]

Staff Findings: As described above, the Planning Commission will hold a public hearing on these text amendments and make a recommendation to the City Council.

G. SB 1051 (2017). The following are applicable sections of SB 1051 (2017). The full text is included as Attachment B.

- **a. A city with a population greater than 2,500 or a county with a population greater than 15,000 shall allow in areas zoned for detached single-family dwellings the development of at least one accessory dwelling unit for each detached single-family dwelling, subject to reasonable local regulations relating to siting and design.** [SB 1051 (2017), Section 6, (5)(a)]
- **b. As used in this subsection, "accessory dwelling unit" means an interior, attached or detached residential structure that is used in connection with or that is accessory to a single-family dwelling.** [SB 1051 (2017), Section 6, (5)(b)]
- **c. A city may not deny an application for a housing development located within the urban growth boundary if the development complies with clear and objective standards, including but not limited to clear and objective design standards contained in the city comprehensive plan or land use regulations.** [SB 1051 (2017), Section 3, (4)(b)(A)]

Staff Findings: The amendments included as Attachment A; include amendments to all of the City's residential zones that permit detached single-family dwellings. These zones are: R1, R2, R3, R4 R/M(T), and RC zones. The definitions chapter of the SHMC was updated to include the "accessory dwelling unit" (ADU) definition listed in SB 1051. The ADU standards would also include the following clear an objective standards; as permitted under SB 1051:

a. A detached Accessory Dwelling shall not exceed 864 square feet of floor area, or 10% of lot area, whichever is smaller.

b. An attached or interior Accessory Dwelling shall not exceed 864 square feet of floor area, or 75 percent of the primary dwelling's floor area, whichever is smaller. However, Accessory Dwellings that result from the conversion of a level or floor (e.g., basement, attic, or second story) of the primary dwelling may occupy the entire level or floor, even if the floor area of the Accessory Dwelling would be more than 864 square feet.

c. A detached Accessory Dwelling shall have a roof with a minimum pitch of three feet in height for each 12 feet in width.

d. An Accessory dwelling shall be placed on a foundation that meets the requirements of all applicable building codes.
e. One off-street parking space shall be provided for each Accessory Dwelling. In addition, parking shall be increased for the primary dwelling if needed so that the primary dwelling is provided two off-street parking spaces.
f. Unless otherwise specified, Accessory Dwellings shall meet all other development standards (e.g., height, setbacks, lot coverage, etc.) for accessory buildings in the zoning district

These clear and objective standards have been added to each residential zone. They are the product of the Planning Commission work sessions. These are clear and objective, because they do not require the exercise of discretion or legal judgement to determine if a proposal complies with the standards.

g. If a church, synagogue, temple, mosque, chapel, meeting house or other nonresidential place of worship is allowed on real property under state law and rules and local zoning ordinances and regulations, a county shall allow the reasonable use of the real property for activities customarily associated with the practices of the religious activity, including [worship services, religion classes, weddings, funerals, child care and meal programs, but not including private or parochial school education for prekindergarten through grade 12 or higher education.]:

i. Worship services.
ii. Religion classes.
iii. Weddings.
iv. Funerals.
v. Meal programs.
vi. Child care, but not including private or parochial school education for prekindergarten through grade 12 or higher education.
vii. Providing housing or space for housing in a building that is detached from the place of worship, provided:
a. At least 50 percent of the residential units provided under this paragraph are affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the real property is located;
b. The real property is in an area zoned for residential use that is located within the urban growth boundary; and
c. The housing or space for housing complies with applicable land use regulations and meets the standards and criteria for residential development for the underlying zone. [SB 1051 (2017), Section 7]

Staff Findings: These standards were added to the following zones: R1, R2, R3, R4, C1, C2, and C3; where churches are permitted through a conditional use permit process. These changes directly implement SB 1051.

The proposed text amendments directly apply the standards of SB 1051. Staff works from the position that state statute is compliant with the Oregon Statewide Planning Goals. Consequently, the proposed text amendments would comply with the Oregon Statewide Planning Goals.

H. Process Requirement for Affordable Housing. (2) Notwithstanding ORS 215.427 (1) or ORS 227.178 (1), a city with a population greater than 5,000 or a county with a population greater than 25,000 shall take final action on an application qualifying

under subsection (3) of this section, including resolution of all local appeals under ORS 215.422 or 227.180, within 100 days after the application is deemed complete.

I. **(3) An application qualifies for final action within the timeline described in subsection (2) of this section if:**
   i. **(a) The application is submitted to the city or the county under ORS 215.416 or 227.175;**
   ii. **(b) The application is for development of a multifamily residential building containing five or more residential units within the urban growth boundary; (c) At least 50 percent of the residential units included in the development will be sold or rented as affordable housing; and**
   iii. **(d) The development is subject to a covenant appurtenant that restricts the owner and each successive owner of the development or a residential unit within the development from selling or renting any residential unit described in paragraph (c) of this subsection as housing that is not affordable housing for a period of 60 years from the date of the certificate of occupancy.**

J. **(4) A city or a county shall take final action within the time allowed under ORS 215.427 or 227.178 on any application for a permit, limited land use decision or zone change that does not qualify for review and decision under subsection (3) of this section, including resolution of all appeals under ORS 215.422 or 227.180, as provided by ORS 215.427 and 215.435 or by ORS 227.178 and 227.181.** [SB 1051 (2017), Section 1, (2) through (4)]

Staff Findings: Staff has prepared text amendments to SHMC 17.12.140 that would add the 100 day processing deadline introduced by SB 1051. The proposed text amendments comply with these requirements.

K. **Sweet Home Comprehensive Plan (SHCP).**
   a. **SHCP Chapter 4: Residential Lands and Housing**
      i. **Policy 10: The maximum net development densities (not including streets), in high density residential areas shall not exceed 35 multi-family dwelling units per acre, based on the standards for unit type.**
      ii. **Policy 11: In medium-density residential areas, single-family dwellings and two family dwellings on corner lots would be consistent with the prevailing character of developed areas and compatible with adjoining land use in undeveloped areas. In these areas, the maximum net density shall not exceed 9 dwelling units per acre.**
      iii. **Policy 12: The maximum net density (not including streets) in low density residential areas shall not exceed 5.4 dwelling units per acre for single family dwellings.**

Staff Findings: The proposed amendments for accessory dwelling units (ADUs) would increase the number of dwelling units that could be established in all residential zones that permit detached single family dwellings. It is the opinion of staff that this could result in situations where the residential density of dwelling units could exceed those that are specified in the comprehensive plan. SB 1051 (2017) will become state law on July 1, 2018 and will supersede Sweet Home's local requirements. The impact of ADUs will to some degree be mitigated by the clear and objective standards for building size and parking requirements. Staff believes that in order to comply with SB 1051, the city may apply the existing density requirements for single family dwellings; however, state law will require that the City permit at least one ADU per single family dwelling.

IV. CONCLUSION

Based on the findings presented above and the Planning Commission's recommendation of approval, staff finds that the proposed text amendments comply with the applicable review and decision criteria. Staff recommends that the City Council hold a public hearing, consider testimony, and make a decision on this matter. If the City Council moves to approve these amendments, staff will prepare an ordinance that will formally adopt the changes. That ordinance will be presented at a future meeting.

Motion**:**

After opening the public hearing and receiving testimony, the City Council's options include the following:

1. Move to approve the text amendments included as Attachment A;

2. Move to approve the text amendments included as Attachment A with changes (specify);
3. Move to continue the public hearing to a date and time certain (specify);
4. Take no action; or
5. Other.

VI. ATTACHMENTS

A - Proposed Text Amendments

B - SB 1051 (2017) Enrolled; Effective July 1, 2018.

C - DLCD Press Release March 8, 2018. Guidance on ADUs

D - DLCD Guidance on Implementing the Accessory Dwelling Units (ADU) Requirement Under Oregon Senate Bill 1051.

Proposed Sweet Home Municipal Code; Zoning Ordinance Updates

Intended to Implement SB 1051 (2017)

File: LA 18-01; April 16, 2018

The following are draft amendments to the Sweet Home Municipal Code; Title 17, Zoning Ordinance. These amendments are intended to implement SB 1051 (2017). These amendments may change as the project works its way through the public review and adoption process. For more information, interested parties are encouraged to contact Jerry Sorte, Community and Economic Development Director at the Sweet Home Community and Economic Development Department, 1140 12th Ave, Sweet Home, Oregon 97386; (541) 367-8113; jsorte@ci.sweet-home.or.us.

Proposed insertions are double underlined. Proposed deletions are listed in ~~strikethrough~~. The full text of the affected chapters of the SHMC, as currently written, may be reviewed online at: https://www.sweet-home.or.us/ced/page/zoning-ordinance.

I. Standards for Accessory Dwellings

17.04.030 DEFINITIONS.

***

***ACCESSORY DWELLING*.** An interior, attached, or detached residential structure that is used in connection with, or that is accessory to, a single-family dwelling.~~A complete separate residential unit, including facilities for cooking and sanitation, provided either as a separate structure on the same lot or as part of a primary single-family dwelling~~.

---

§ 17.08.090 OFF-STREET PARKING REQUIREMENTS.

***

H. Space requirements for off-street parking shall be as listed in this section. Fractional space requirements shall be counted as a whole space. When square feet are specified, the area measured shall be the gross floor area of the building, but shall exclude any space within a building used for off-street parking or loading.

Use	*Space Requirement*
1. Single-, two- and multi-family dwelling (excluding Accessory Dwellings)	Two spaces per dwelling unit
2. Accessory Dwelling	One space per Accessory Dwelling unit

CHAPTER 17.24: R-1 RESIDENTIAL LOW-DENSITY ZONE

§ 17.24.020 USES PERMITTED OUTRIGHT.

In an R-1 zone, the following primary residential uses and their accessory uses are permitted outright:

D. Accessory Dwelling. A maximum of one Accessory Dwelling is allowed per legal single-family dwelling. The unit may be a detached building, in a portion of a detached accessory building (e.g., above a garage or workshop), or a unit attached or interior to the primary dwelling (e.g., an addition or the conversion of an existing floor); subject to the following standards:

a. A detached Accessory Dwelling shall not exceed 864 square feet of floor area, or 10% of lot area, whichever is smaller.

b. An attached or interior Accessory Dwelling shall not exceed 864 square feet of floor area, or 75 percent of the primary dwelling's floor area, whichever is smaller. However, Accessory Dwellings that result from the conversion of a level or floor (e.g., basement, attic, or second story) of the primary dwelling may occupy the entire level or floor, even if the floor area of the Accessory Dwelling would be more than 864 square feet.

c. A detached Accessory Dwelling shall have a roof with a minimum pitch of three feet in height for each 12 feet in width.

d. An Accessory dwelling shall be placed on a foundation that meets the requirements of all applicable building codes.

e. One off-street parking space shall be provided for each Accessory Dwelling. In addition, parking shall be increased for the primary dwelling if needed so that the primary dwelling is provided two off-street parking spaces.

f. Unless otherwise specified, Accessory Dwellings shall meet all other development standards (e.g., height, setbacks, lot coverage, etc.) for accessory buildings in the zoning district.

§ 17.24.030 CONDITIONAL USES PERMITTED.

In an R-1 zone, the following uses and their accessory uses may be permitted subject to the provisions of Chapter 17.80:

~~K. Accessory dwelling;~~

***

§ 17.24.050 YARD SETBACKS.

Except as provided in § 17.08.060, in a R-1 zone, yard setbacks shall be as follows.

A. The front yard shall be a minimum of 20 feet.

B. Each side yard shall be a minimum of five feet, and the total of both side yard setbacks shall be a minimum of 13 feet.

C. The street side yard shall be a minimum of 15 feet.

D. The rear yard shall be a minimum of 15 feet.

E. On a flag lot, or similarly configured lot, the inset front yard setback shall be a minimum of 15 feet.

F. Regardless of the side and rear yard requirements of the zone, an accessory structure, excluding detached Accessory Dwellings, may be built to within five feet of side or rear lot line; provided, the structure is more than 70 feet from the street abutting the front yard and 20 feet from the street abutting the street side yard.

(Ord. 1235, § 1(part), 2013; Ord. 1121, (part), 1998: Ord. 1101, 1997; Ord. 644, § 10(part), 1974)

***

§ 17.24.070 BUILDING HEIGHT.

Except as provided in § 17.08.070, in a R-1 zone building heights shall be as follows.

A. The height of a building for a dwelling, excluding detached Accessory Dwellings, shall not exceed a height of 30 feet.

B. Accessory structures, including detached Accessory Dwellings, shall not exceed 20 feet in height at the apex of the roof. (Ord. 1121, (part), 1998: Ord. 644, § 10(part), 1974)

§ 17.24.080 MINIMUM BUILDING SIZE.

Dwellings, excluding Accessory Dwellings, in the R-1 zone shall be a minimum size of 1,000 square feet.

(Ord. 1121, (part), 1998: Ord. 1069, 1994: Ord. 838, 1981; Ord. 644, § 10(part), 1974)

§ 17.24.090 HOMES ON INDIVIDUAL LOTS.

A. A home, including Accessory Dwellings, shall be placed on a foundation enclosed at the perimeter with no more than 24 inches of the enclosing material exposed above grade. Where the building site has a sloped grade, no more than 24 inches of the enclosing material shall be exposed on the uphill side of the home. If the home is placed on a basement, the 24-inch limitation will not apply.

B. The base of a home, including Accessory Dwellings, must be enclosed continuously at the perimeter with either concrete, concrete block, brick, stone, or combination thereof, or shall have continuous skirting which matches the exterior.

C. A home, excluding Accessory Dwellings, shall have a nominal width of at least 28 feet.

D. A home, including Accessory Dwellings, shall have a roof with a minimum pitch of three feet in height for each 12 feet in width. (Ord. 1235, § 1(part), 2013; Ord. 1121, (part), 1998: Ord. 1069, 1994)

§ 17.24.100 GARAGE AND OFF-STREET PARKING REQUIREMENTS.

All dwellings, excluding Accessory Dwellings, in the R-1 zone will have at minimum the following:

A. A garage or carport; and

B. Two hard surfaced off-street parking spaces shall be provided. (Ord 1121, (part), 1998)

CHAPTER 17.28: R-2 RESIDENTIAL HIGH-DENSITY ZONE

Note: By reference, the proposed changes to the R-1 zone under SHMC Sections 17.24.020 and 17.24.030 would also change the uses permitted in the R-2 zone. As proposed, Accessory Dwellings would be permitted outright, rather than as a conditional use, in the R-2 zone by reference to the R-1 zone.

17.28.020 USES PERMITTED OUTRIGHT.

In a R-2 zone, the following primary residential uses and their accessory uses are permitted outright:

A. A use permitted outright in a R-1 zone;

***

17.28.030 CONDITIONAL USES PERMITTED.

In a R-2 zone, the following uses and their accessory uses may be permitted subject to the provisions of Chapter 17.80:

A. A use permitted as a conditional use in a R-1 zone;

***

§ 17.28.070 BUILDING HEIGHT.

Except as provided in Sweet Home Municipal Code § 17.08.060, in a R-2 zone building heights shall be as follows:

A. Single-family dwellings shall not exceed a height of 30 feet;

B. Two-family, single-family attached dwellings and multi-family dwellings shall not exceed a height of 40 feet; and

C. Accessory structures<u>, including detached Accessory Dwellings,</u> shall not exceed 20 feet in height at the apex of the roof.

§ 17.28.080 MINIMUM BUILDING SIZE.

Dwellings, excluding Accessory Dwellings, in the R-2 zone shall have a minimum building size of 720 square feet.

(Ord. 1182, § 1, 2006)

§ 17.28.090 HOMES ON INDIVIDUAL LOTS.

A. A home, including Accessory Dwellings, shall be placed on a foundation enclosed at the perimeter with no more than 32 inches of the enclosing material exposed above grade. Where the building site has a sloped grade, no more than 32 inches of the enclosing material shall be exposed on the uphill side of the home. If the home is placed on a basement, the 32 inch limitation will not apply.

B. The base of a home, including Accessory Dwellings, must be enclosed continuously at the perimeter with either concrete, concrete block, brick, stone or combination thereof, or shall have continuous skirting which matches the exterior.

C. A home, excluding Accessory Dwellings, shall have a nominal width of at least 24 feet.

D. A home, including Accessory Dwellings, shall have a roof with a minimum pitch of three feet in height for each 12 feet in width.

§ 17.28.100 GARAGE AND OFF STREET PARKING REQUIREMENTS.

A. All single-family, two-family and single-family attached dwellings, excluding Accessory Dwellings, will have, at minimum, the following:

1. A garage or carport; and
2. Two hard surfaced off-street parking spaces shall be provided.

B. Multi-family dwellings will have a minimum of two parking spaces per unit.

***

CHAPTER 17.30: R-3 MEDIUM DENSITY RESIDENTIAL ZONE

Note: By reference, the proposed changes to the R-1 zone under SHMC Sections 17.24.020 and 17.24.030 would also change the uses permitted in the R-3 zone. As proposed, Accessory Dwellings would be permitted outright, rather than as a conditional use, in the R-3 zone by reference to the R-1 zone.

§ 17.30.020 USES PERMITTED OUTRIGHT.

The following primary residential uses and their accessory uses are permitted outright:

A. A use permitted outright in a R-1 zone;

***

§ 17.30.030 CONDITIONAL USES PERMITTED.

The following uses and their accessory uses may be permitted subject to the provisions of Chapter 17.80:

A. A use permitted as a conditional use in a R-1 zone;

***

§ 17.30.050 YARDS.

Yard setbacks shall be as follows:

A. Single-family and two-family dwelling units, including Accessory Dwellings:

1. The front shall be a minimum of 20 feet;
2. Each side shall be a minimum of five feet;
3. The street side yard shall be a minimum of 15 feet;
4. The rear shall be a minimum of ten feet;
5. On a flag lot, the inset front yard setback shall be a minimum of ten feet; and
6. No building shall be located closer than one-half the distance of the right-of-way projected for the abutting street, based on the street classification, plus the required front setback from a centerline of a street other than an alley.

B. Single-family attached dwellings:

1. Front shall be a minimum of 20 feet;
2. The sides between units shall be zero feet;
3. The sides on exterior boundaries shall be five feet;
4. Street side shall be a minimum of 15 feet; and
5. Rear shall be a minimum of ten feet.

§ 17.30.060 LOT COVERAGE.

Building coverage shall meet the following standards.

A. A single-family dwelling, not including an associated detached Accessory Dwelling, shall not exceed 35% of the land area.

B. Two-family dwellings shall not exceed 50% of the land area.

C. Single-family attached dwellings shall not exceed 60% of the land area.

§ 17.30.070 BUILDING HEIGHT.

Building heights shall be as follows.

A. Single-family dwellings shall not exceed a height of 30 feet.

B. Two-family and single-family attached dwellings shall not exceed a height of 40 feet.

C. Accessory structures, including detached Accessory Dwellings, shall not exceed 20 feet in height at the apex of the roof.

§ 17.30.080 MINIMUM BUILDING SIZE.

Primary use buildings, which do not include Accessory Dwellings, shall have a minimum building size of 850 square feet.

§ 17.30.090 STANDARDS FOR HOMES ON INDIVIDUAL LOTS.

A. A home, including Accessory Dwellings, shall be placed on a foundation enclosed at the perimeter with no more than 32 inches of the enclosing material exposed above grade. Where the building site has a sloped grade, no more than 32 inches of the enclosing material shall be exposed on the uphill side of the home. If the home is placed on a basement, the 32-inch limitation will not apply.

B. The base of a home, including Accessory Dwellings, must be enclosed continuously at the perimeter with either concrete, concrete block, brick, stone or combination thereof, or shall have continuous skirting which matches the exterior.

C. A home, excluding Accessory Dwellings, shall have a nominal width of at least 24 feet.

D. A home, including Accessory Dwellings, shall have a roof with a minimum pitch of three feet in height for each 12 feet in width.

§ 17.30.100 GARAGE AND OFF STREET PARKING REQUIREMENTS.

All dwellings, excluding Accessory Dwellings, will have at minimum the following:

A. A garage or carport; and

B. One hard surfaced off-street parking spaces shall be provided.

CHAPTER 17.31: R-4 RESIDENTIAL MIXED USE ZONE

Note: By reference, the proposed changes to the R-1 zone under SHMC Section 17.24.020 would also change the uses permitted in the R-4 zone. As proposed, Accessory Dwellings would be permitted outright in the R-4 zone by reference to the R-1 zone.

§ 17.31.020 USES PERMITTED OUTRIGHT.

The following uses and their accessory uses shall be permitted outright: residential uses: a use permitted outright in any residential zone.

***

§ 17.31.040 DEVELOPMENT STANDARDS.

A. The following special standards shall apply.

1. Residential uses, not including Accessory Dwellings, shall be subject to a maximum density of 35 dwelling units per acre.

2. Residential uses, including Accessory Dwellings, shall be subject to the lot size and width, yard, lot coverage and building height requirements of the R-2 zone.

***

CHAPTER 17.60: RC RECREATION COMMERCIAL ZONE

17.60.020 USES PERMITTED OUTRIGHT.

In an RC zone, the following uses and their accessory uses are permitted outright:

O. Accessory Dwelling. A maximum of one Accessory Dwelling is allowed per legal single-family dwelling. The unit may be a detached building, in a portion of a detached accessory building (e.g., above a garage or workshop), or a unit attached or interior to the primary dwelling (e.g., an addition or the conversion of an existing floor); subject to the following standards:

a. A detached Accessory Dwelling shall not exceed 864 square feet of floor area, or 10% of lot area, whichever is smaller.

b. An attached or interior Accessory Dwelling shall not exceed 864 square feet of floor area, or 75 percent of the primary dwelling's floor area, whichever is smaller. However, Accessory Dwellings that result from the conversion of a level or floor (e.g., basement, attic, or second story) of the primary dwelling may occupy the entire level or floor, even if the floor area of the Accessory Dwelling would be more than 864 square feet.

c. A detached Accessory Dwelling shall have a roof with a minimum pitch of three feet in height for each 12 feet in width.

d. An Accessory dwelling shall be placed on a foundation that meets the requirements of all applicable building codes.

e. One off-street parking space shall be provided for each Accessory Dwelling. In addition, parking shall be increased for the primary dwelling if needed so that the primary dwelling is provided two off-street parking spaces.

~~a.~~f. Unless otherwise specified, Accessory Dwellings shall meet all other development standards (e.g., height, setbacks, lot coverage, etc.) for accessory buildings in the zoning district.

***

§ 17.60.040 SPECIAL STANDARDS.

In an RC zone, the following special standards shall apply unless modified as a part of a planned development.

A. Single-family dwellings and accessory uses, including Accessory Dwellings, shall meet the following minimum standards.

1. Minimum lot size shall be 8,000 square feet.
2. Minimum lot width shall be 80 feet.
3. Minimum yard setbacks:
   a. Front, from either a public or private street, shall be a minimum of 20 feet;
   b. Side shall be a minimum five feet with a combined minimum of 13 feet;
   c. Street side shall be minimum of 15 feet;
   d. A garage shall have a minimum setback of 20 feet from the point of access to the vehicle doors; and
   e. Rear shall be a minimum of 15 feet.
4. Detached Accessory Dwellings shall not exceed 20 feet in height at the apex of the roof. All other buildings shall not exceed 30 feet in height. ~~Building height shall not exceed 30 feet~~
5. Building coverage shall not exceed 35% of the land area.
6. A carport or garage is required for each single-family dwelling; not including Accessory Dwellings.
7. Off-street parking will be based on the city parking standards.

CHAPTER 17.68: R/M(T) RESIDENTIAL INDUSTRIAL TRANSITIONAL

§ 17.68.030 USES PERMITTED.

In an R/M(T) zone, the following uses and their accessory uses are permitted outright:

D. Accessory Dwelling. A maximum of one Accessory Dwelling is allowed per legal single-family dwelling. The unit may be a detached building, in a portion of a detached accessory building (e.g., above a garage or workshop), or a unit attached or interior to the primary dwelling (e.g., an addition or the conversion of an existing floor); subject to the following standards:

a. A detached Accessory Dwelling shall not exceed 864 square feet of floor area, or 10% of lot area, whichever is smaller.

b. An attached or interior Accessory Dwelling shall not exceed 864 square feet of floor area, or 75 percent of the primary dwelling's floor area, whichever is smaller. However, Accessory Dwellings that result from the conversion of a level or floor (e.g., basement, attic, or second story) of the primary dwelling may occupy the entire level or floor, even if the floor area of the Accessory Dwelling would be more than 864 square feet.

c. A detached Accessory Dwelling shall have a roof with a minimum pitch of three feet in height for each 12 feet in width.

d. One off-street parking space shall be provided for each Accessory Dwelling. In addition, parking shall be increased for the primary dwelling if needed so that the primary dwelling is provided two off-street parking spaces.

e. Unless otherwise specified, Accessory Dwellings shall meet all other development standards (e.g., height, setbacks, lot coverage, etc.) for accessory buildings in the zoning district.

***

§ 17.68.050 LIMITATIONS.

A. Single-family dwellings and residential facilities shall be subject to the standards of the R-1 zone except building size for which R-2 standards shall apply.

***

II. Standards Amending the Definition of Church Use

CHAPTER 17.24: R-1 RESIDENTIAL LOW-DENSITY ZONE

§ 17.24.030 CONDITIONAL USES PERMITTED.

C. Church, religious or philanthropic institution; including activities customarily associated with the practices of the religious activity, including:

(a) Worship services.

(b) Religion classes.

(c) Weddings.

(d) Funerals.

(e) Meal programs.

(f) Child care, but not including private or parochial school education for prekindergarten through grade 12 or higher education.

(g) Providing housing or space for housing in a building that is detached from the place of worship, provided:

(A) At least 50 percent of the residential units provided under this paragraph are affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the real property is located;

(B) The real property is in an area zoned for residential use that is located within the urban growth boundary; and

(C) The housing or space for housing complies with applicable land use regulations and meets the standards and criteria for residential development for the underlying zone.

(h) Housing and space for housing provided under subsection (g) of this section must be subject to a covenant appurtenant that restricts the owner and each successive owner of the building or any residential unit contained in the building from selling or renting any residential unit described in subsection (g)(A) of this section as housing

that is not affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the real property is located for a period of 60 years from the date of the certificate of occupancy.

CHAPTER 17.28: R-2 RESIDENTIAL HIGH-DENSITY ZONE

Note: By reference, the proposed changes to the R-1 zone under SHMC Section 17.24.030(C) would also change the definition of the church as a conditionally permitted use in the R-2 zone.

§ 17.28.030 CONDITIONAL USES PERMITTED.

In a R-2 zone, the following uses and their accessory uses may be permitted subject to the provisions of Chapter 17.80:

A. A use permitted as a conditional use in a R-1 zone;

CHAPTER 17.30: R-3 MEDIUM DENSITY RESIDENTIAL ZONE

Note: By reference, the proposed changes to the R-1 zone under SHMC Section 17.24.030(C) would also change the definition of the church as a conditionally permitted use in the R-3 zone.

§ 17.30.030 CONDITIONAL USES PERMITTED.

The following uses and their accessory uses may be permitted subject to the provisions of Chapter 17.80:

A. A use permitted as a conditional use in a R-1 zone;

CHAPTER 17.31: R-4 RESIDENTIAL MIXED USE ZONE

§ 17.31.030 CONDITIONAL USES PERMITTED.

The following uses and their accessory uses may be permitted subject to the provisions of this section and Chapter 17.80.

A. Church, non-profit religious or philanthropic institution; including activities customarily associated with the practices of the religious activity, including:

(a) Worship services.

(b) Religion classes.

(c) Weddings.

(d) Funerals.

(e) Meal programs.

(f) Child care, but not including private or parochial school education for prekindergarten through grade 12 or higher education.

(g) Providing housing or space for housing in a building that is detached from the place of worship, provided:

(A) At least 50 percent of the residential units provided under this paragraph are affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the real property is located;

(B) The real property is in an area zoned for residential use that is located within the urban growth boundary; and

(C) The housing or space for housing complies with applicable land use regulations and meets the standards and criteria for residential development for the underlying zone.

(h) Housing and space for housing provided under subsection (g) of this section must be subject to a covenant appurtenant that restricts the owner and each successive owner of the building or any residential unit contained in the building from selling or renting any residential unit described in subsection (g)(A) of this section as housing that is not affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the real property is located for a period of 60 years from the date of the certificate of occupancy.

CHAPTER 17.32: C-1 COMMERCIAL CENTRAL ZONE

§ 17.32.030 CONDITIONAL USES PERMITTED.

In a C-1 zone, the following uses and their accessory uses may be permitted subject to the provisions of Chapter 17.80:

A. Church, nonprofit religious or philanthropic institution; including activities customarily associated with the practices of the religious activity, including:

(a) Worship services.

(b) Religion classes.

(c) Weddings.

(d) Funerals.

(e) Meal programs.

(f) Child care, but not including private or parochial school education for prekindergarten through grade 12 or higher education.

(g) Providing housing or space for housing in a building that is detached from the place of worship, provided:

(A) At least 50 percent of the residential units provided under this paragraph are affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the real property is located;

(B) The real property is in an area zoned for residential use that is located within the urban growth boundary; and

(C) The housing or space for housing complies with applicable land use regulations and meets the standards and criteria for residential development for the underlying zone.

(h) Housing and space for housing provided under subsection (g) of this section must be subject to a covenant appurtenant that restricts the owner and each successive owner of the building or any residential unit contained in the building from selling or renting any residential unit described in subsection (g)(A) of this section as housing that is not affordable to households with incomes equal to or less than 60 percent of the median

family income for the county in which the real property is located for a period of 60 years from the date of the certificate of occupancy.

CHAPTER 17.36: C-2 COMMERCIAL HIGHWAY ZONE

§ 17.36.030 CONDITIONAL USES PERMITTED.

In a C-2 zone, the following uses and their accessory uses may be permitted subject to the provisions of Chapter 17.36:

A. Church, non-profit religious or philanthropic institution; including activities customarily associated with the practices of the religious activity, including:

(a) Worship services.

(b) Religion classes.

(c) Weddings.

(d) Funerals.

(e) Meal programs.

(f) Child care, but not including private or parochial school education for prekindergarten through grade 12 or higher education.

(g) Providing housing or space for housing in a building that is detached from the place of worship, provided:

(A) At least 50 percent of the residential units provided under this paragraph are affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the real property is located;

(B) The real property is in an area zoned for residential use that is located within the urban growth boundary; and

(C) The housing or space for housing complies with applicable land use regulations and meets the standards and criteria for residential development for the underlying zone.

(h) Housing and space for housing provided under subsection (g) of this section must be subject to a covenant appurtenant that restricts the owner and each successive owner of the building or any residential unit contained in the building from selling or renting any residential unit described in subsection (g)(A) of this section as housing that is not affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the real property is located for a period of 60 years from the date of the certificate of occupancy.

CHAPTER 17.40: C-3 COMMERCIAL NEIGHBORHOOD ZONE

17.40.030 CONDITIONAL USES PERMITTED.

In a C-3 zone, the following uses and their accessory uses may be permitted subject to the provisions of this section and Chapter 17.80:

A. Church, non-profit religious or philanthropic institution; including activities customarily associated with the practices of the religious activity, including:

(a) Worship services.

(b) Religion classes.

(c) Weddings.

(d) Funerals.

(e) Meal programs.

(f) Child care, but not including private or parochial school education for prekindergarten through grade 12 or higher education.

(g) Providing housing or space for housing in a building that is detached from the place of worship, provided:

(A) At least 50 percent of the residential units provided under this paragraph are affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the real property is located;

(B) The real property is in an area zoned for residential use that is located within the urban growth boundary; and

(C) The housing or space for housing complies with applicable land use regulations and meets the standards and criteria for residential development for the underlying zone

(h) Housing and space for housing provided under subsection (g) of this section must be subject to a covenant appurtenant that restricts the owner and each successive owner of the building or any residential unit contained in the building from selling or renting any residential unit described in subsection (g)(A) of this section as housing that is not affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the real property is located for a period of 60 years from the date of the certificate of occupancy.

III. Process Requirements for Certain Affordable Housing Applications

17.12.140 GENERAL ADMINISTRATIVE PROVISIONS.

***

B. The city shall take final action on all land use actions, limited land use actions or zone change applications including all appeals, within 100 days of completion of the application for all applications listed under SB 1051 Section 1(3) or within 120 days of completion of the application for all other land use actions, limited land use actions or zone change applications that do not also require a comprehensive plan amendment. Applications or appeals which require consideration by agencies or entities outside the city jurisdiction are excepted from this deadline. The 120-day deadline may be extended for a reasonable amount of time at the request of the applicant.

***

E. If an application is not acted upon within ~~120 days after completion~~the time period specified in subsection B of this section:

1. The city shall refund to the applicant either the unexpended portion of any application fees previously paid or 50% of the total amount of the fees, whichever is greater.
2. The applicant may apply in the Circuit Court of Linn County for a writ of mandamus to compel the city to issue the approval.

Enrolled
Senate Bill 1051

Sponsored by COMMITTEE ON BUSINESS AND TRANSPORTATION

CHAPTER .....

AN ACT

Relating to use of real property; creating new provisions; amending ORS 197.178, 197.303, 197.307, 197.312, 215.416, 215.427, 215.441, 227.175, 227.178 and 227.500; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. (1) As used in this section:

(a) "Affordable housing" means housing that is affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the development is built or for the state, whichever is greater.

(b) "Multifamily residential building" means a building in which three or more residential units each have space for eating, living and sleeping and permanent provisions for cooking and sanitation.

(2) Notwithstanding ORS 215.427 (1) or ORS 227.178 (1), a city with a population greater than 5,000 or a county with a population greater than 25,000 shall take final action on an application qualifying under subsection (3) of this section, including resolution of all local appeals under ORS 215.422 or 227.180, within 100 days after the application is deemed complete.

(3) An application qualifies for final action within the timeline described in subsection (2) of this section if:

(a) The application is submitted to the city or the county under ORS 215.416 or 227.175;

(b) The application is for development of a multifamily residential building containing five or more residential units within the urban growth boundary;

(c) At least 50 percent of the residential units included in the development will be sold or rented as affordable housing; and

(d) The development is subject to a covenant appurtenant that restricts the owner and each successive owner of the development or a residential unit within the development from selling or renting any residential unit described in paragraph (c) of this subsection as housing that is not affordable housing for a period of 60 years from the date of the certificate of occupancy.

(4) A city or a county shall take final action within the time allowed under ORS 215.427 or 227.178 on any application for a permit, limited land use decision or zone change that does not qualify for review and decision under subsection (3) of this section, including resolution of all appeals under ORS 215.422 or 227.180, as provided by ORS 215.427 and 215.435 or by ORS 227.178 and 227.181.

SECTION 2. ORS 215.416 is amended to read:

215.416. (1) When required or authorized by the ordinances, rules and regulations of a county, an owner of land may apply in writing to such persons as the governing body designates, for a permit, in the manner prescribed by the governing body. The governing body shall establish fees charged for processing permits at an amount no more than the actual or average cost of providing that service.

(2) The governing body shall establish a consolidated procedure by which an applicant may apply at one time for all permits or zone changes needed for a development project. The consolidated procedure shall be subject to the time limitations set out in ORS 215.427. The consolidated procedure shall be available for use at the option of the applicant no later than the time of the first periodic review of the comprehensive plan and land use regulations.

(3) Except as provided in subsection (11) of this section, the hearings officer shall hold at least one public hearing on the application.

(4)**(a)** [*The application shall not be approved*] **A county may not approve an application** if the proposed use of land is found to be in conflict with the comprehensive plan of the county and other applicable land use regulation or ordinance provisions. The approval may include such conditions as are authorized by statute or county legislation.

(b)(A) A county may not deny an application for a housing development located within the urban growth boundary if the development complies with clear and objective standards, including but not limited to clear and objective design standards contained in the county comprehensive plan or land use regulations.

(B) This paragraph does not apply to:

(i) Applications or permits for residential development in areas described in ORS 197.307 (5); or

(ii) Applications or permits reviewed under an alternative approval process adopted under ORS 197.307 (6).

(c) A county may not reduce the density of an application for a housing development if:

(A) The density applied for is at or below the authorized density level under the local land use regulations; and

(B) At least 75 percent of the floor area applied for is reserved for housing.

(d) A county may not reduce the height of an application for a housing development if:

(A) The height applied for is at or below the authorized height level under the local land use regulations;

(B) At least 75 percent of the floor area applied for is reserved for housing; and

(C) Reducing the height has the effect of reducing the authorized density level under local land use regulations.

(e) Notwithstanding paragraphs (c) and (d) of this subsection, a county may reduce the density or height of an application for a housing development if the reduction is necessary to resolve a health, safety or habitability issue or to comply with a protective measure adopted pursuant to a statewide land use planning goal.

(f) As used in this subsection:

(A) "Authorized density level" means the maximum number of lots or dwelling units or the maximum floor area ratio that is permitted under local land use regulations.

(B) "Authorized height level" means the maximum height of a structure that is permitted under local land use regulations.

(C) "Habitability" means being in compliance with the applicable provisions of the state building code under ORS chapter 455 and the rules adopted thereunder.

(5) Hearings under this section shall be held only after notice to the applicant and also notice to other persons as otherwise provided by law and shall otherwise be conducted in conformance with the provisions of ORS 197.763.

(6) Notice of a public hearing on an application submitted under this section shall be provided to the owner of an airport defined by the Oregon Department of Aviation as a "public use airport" if:

(a) The name and address of the airport owner has been provided by the Oregon Department of Aviation to the county planning authority; and

(b) The property subject to the land use hearing is:

(A) Within 5,000 feet of the side or end of a runway of an airport determined by the Oregon Department of Aviation to be a "visual airport"; or

(B) Within 10,000 feet of the side or end of the runway of an airport determined by the Oregon Department of Aviation to be an "instrument airport."

(7) Notwithstanding the provisions of subsection (6) of this section, notice of a land use hearing need not be provided as set forth in subsection (6) of this section if the zoning permit would only allow a structure less than 35 feet in height and the property is located outside the runway "approach surface" as defined by the Oregon Department of Aviation.

(8)(a) Approval or denial of a permit application shall be based on standards and criteria which shall be set forth in the zoning ordinance or other appropriate ordinance or regulation of the county and which shall relate approval or denial of a permit application to the zoning ordinance and comprehensive plan for the area in which the proposed use of land would occur and to the zoning ordinance and comprehensive plan for the county as a whole.

(b) When an ordinance establishing approval standards is required under ORS 197.307 to provide only clear and objective standards, the standards must be clear and objective on the face of the ordinance.

(9) Approval or denial of a permit or expedited land division shall be based upon and accompanied by a brief statement that explains the criteria and standards considered relevant to the decision, states the facts relied upon in rendering the decision and explains the justification for the decision based on the criteria, standards and facts set forth.

(10) Written notice of the approval or denial shall be given to all parties to the proceeding.

(11)(a)(A) The hearings officer or such other person as the governing body designates may approve or deny an application for a permit without a hearing if the hearings officer or other designated person gives notice of the decision and provides an opportunity for any person who is adversely affected or aggrieved, or who is entitled to notice under paragraph (c) of this subsection, to file an appeal.

(B) Written notice of the decision shall be mailed to those persons described in paragraph (c) of this subsection.

(C) Notice under this subsection shall comply with ORS 197.763 (3)(a), (c), (g) and (h) and shall describe the nature of the decision. In addition, the notice shall state that any person who is adversely affected or aggrieved or who is entitled to written notice under paragraph (c) of this subsection may appeal the decision by filing a written appeal in the manner and within the time period provided in the county's land use regulations. A county may not establish an appeal period that is less than 12 days from the date the written notice of decision required by this subsection was mailed. The notice shall state that the decision will not become final until the period for filing a local appeal has expired. The notice also shall state that a person who is mailed written notice of the decision cannot appeal the decision directly to the Land Use Board of Appeals under ORS 197.830.

(D) An appeal from a hearings officer's decision made without hearing under this subsection shall be to the planning commission or governing body of the county. An appeal from such other person as the governing body designates shall be to a hearings officer, the planning commission or the governing body. In either case, the appeal shall be to a de novo hearing.

(E) The de novo hearing required by subparagraph (D) of this paragraph shall be the initial evidentiary hearing required under ORS 197.763 as the basis for an appeal to the Land Use Board of Appeals. At the de novo hearing:

(i) The applicant and other parties shall have the same opportunity to present testimony, arguments and evidence as they would have had in a hearing under subsection (3) of this section before the decision;

(ii) The presentation of testimony, arguments and evidence shall not be limited to issues raised in a notice of appeal; and

(iii) The decision maker shall consider all relevant testimony, arguments and evidence that are accepted at the hearing.

(b) If a local government provides only a notice of the opportunity to request a hearing, the local government may charge a fee for the initial hearing. The maximum fee for an initial hearing shall be the cost to the local government of preparing for and conducting the appeal, or $250, whichever is less. If an appellant prevails at the hearing or upon subsequent appeal, the fee for the initial hearing shall be refunded. The fee allowed in this paragraph shall not apply to appeals made by neighborhood or community organizations recognized by the governing body and whose boundaries include the site.

(c)(A) Notice of a decision under paragraph (a) of this subsection shall be provided to the applicant and to the owners of record of property on the most recent property tax assessment roll where such property is located:

(i) Within 100 feet of the property that is the subject of the notice when the subject property is wholly or in part within an urban growth boundary;

(ii) Within 250 feet of the property that is the subject of the notice when the subject property is outside an urban growth boundary and not within a farm or forest zone; or

(iii) Within 750 feet of the property that is the subject of the notice when the subject property is within a farm or forest zone.

(B) Notice shall also be provided to any neighborhood or community organization recognized by the governing body and whose boundaries include the site.

(C) At the discretion of the applicant, the local government also shall provide notice to the Department of Land Conservation and Development.

(12) A decision described in ORS 215.402 (4)(b) shall:

(a) Be entered in a registry available to the public setting forth:

(A) The street address or other easily understood geographic reference to the subject property;

(B) The date of the decision; and

(C) A description of the decision made.

(b) Be subject to the jurisdiction of the Land Use Board of Appeals in the same manner as a limited land use decision.

(c) Be subject to the appeal period described in ORS 197.830 (5)(b).

(13) At the option of the applicant, the local government shall provide notice of the decision described in ORS 215.402 (4)(b) in the manner required by ORS 197.763 (2), in which case an appeal to the board shall be filed within 21 days of the decision. The notice shall include an explanation of appeal rights.

(14) Notwithstanding the requirements of this section, a limited land use decision shall be subject to the requirements set forth in ORS 197.195 and 197.828.

SECTION 3. ORS 227.175 is amended to read:

227.175. (1) When required or authorized by a city, an owner of land may apply in writing to the hearings officer, or such other person as the city council designates, for a permit or zone change, upon such forms and in such a manner as the city council prescribes. The governing body shall establish fees charged for processing permits at an amount no more than the actual or average cost of providing that service.

(2) The governing body of the city shall establish a consolidated procedure by which an applicant may apply at one time for all permits or zone changes needed for a development project. The consolidated procedure shall be subject to the time limitations set out in ORS 227.178. The consolidated procedure shall be available for use at the option of the applicant no later than the time of the first periodic review of the comprehensive plan and land use regulations.

(3) Except as provided in subsection (10) of this section, the hearings officer shall hold at least one public hearing on the application.

(4)**(a)** [*The application shall not be approved*] **A city may not approve an application** unless the proposed development of land would be in compliance with the comprehensive plan for the city and other applicable land use regulation or ordinance provisions. The approval may include such conditions as are authorized by ORS 227.215 or any city legislation.

(b)(A) A city may not deny an application for a housing development located within the urban growth boundary if the development complies with clear and objective standards, including but not limited to clear and objective design standards contained in the city comprehensive plan or land use regulations.

(B) This paragraph does not apply to:

(i) Applications or permits for residential development in areas described in ORS 197.307 (5); or

(ii) Applications or permits reviewed under an alternative approval process adopted under ORS 197.307 (6).

(c) A city may not reduce the density of an application for a housing development if:

(A) The density applied for is at or below the authorized density level under the local land use regulations; and

(B) At least 75 percent of the floor area applied for is reserved for housing.

(d) A city may not reduce the height of an application for a housing development if:

(A) The height applied for is at or below the authorized height level under the local land use regulations;

(B) At least 75 percent of the floor area applied for is reserved for housing; and

(C) Reducing the height has the effect of reducing the authorized density level under local land use regulations.

(e) Notwithstanding paragraphs (c) and (d) of this subsection, a city may reduce the density or height of an application for a housing development if the reduction is necessary to resolve a health, safety or habitability issue or to comply with a protective measure adopted pursuant to a statewide land use planning goal.

(f) As used in this subsection:

(A) "Authorized density level" means the maximum number of lots or dwelling units or the maximum floor area ratio that is permitted under local land use regulations.

(B) "Authorized height level" means the maximum height of a structure that is permitted under local land use regulations.

(C) "Habitability" means being in compliance with the applicable provisions of the state building code under ORS chapter 455 and the rules adopted thereunder.

(5) Hearings under this section may be held only after notice to the applicant and other interested persons and shall otherwise be conducted in conformance with the provisions of ORS 197.763.

(6) Notice of a public hearing on a zone use application shall be provided to the owner of an airport, defined by the Oregon Department of Aviation as a "public use airport" if:

(a) The name and address of the airport owner has been provided by the Oregon Department of Aviation to the city planning authority; and

(b) The property subject to the zone use hearing is:

(A) Within 5,000 feet of the side or end of a runway of an airport determined by the Oregon Department of Aviation to be a "visual airport"; or

(B) Within 10,000 feet of the side or end of the runway of an airport determined by the Oregon Department of Aviation to be an "instrument airport."

(7) Notwithstanding the provisions of subsection (6) of this section, notice of a zone use hearing need only be provided as set forth in subsection (6) of this section if the permit or zone change would only allow a structure less than 35 feet in height and the property is located outside of the runway "approach surface" as defined by the Oregon Department of Aviation.

(8) If an application would change the zone of property that includes all or part of a mobile home or manufactured dwelling park as defined in ORS 446.003, the governing body shall give written notice by first class mail to each existing mailing address for tenants of the mobile home

or manufactured dwelling park at least 20 days but not more than 40 days before the date of the first hearing on the application. The governing body may require an applicant for such a zone change to pay the costs of such notice.

(9) The failure of a tenant or an airport owner to receive a notice which was mailed shall not invalidate any zone change.

(10)(a)(A) The hearings officer or such other person as the governing body designates may approve or deny an application for a permit without a hearing if the hearings officer or other designated person gives notice of the decision and provides an opportunity for any person who is adversely affected or aggrieved, or who is entitled to notice under paragraph (c) of this subsection, to file an appeal.

(B) Written notice of the decision shall be mailed to those persons described in paragraph (c) of this subsection.

(C) Notice under this subsection shall comply with ORS 197.763 (3)(a), (c), (g) and (h) and shall describe the nature of the decision. In addition, the notice shall state that any person who is adversely affected or aggrieved or who is entitled to written notice under paragraph (c) of this subsection may appeal the decision by filing a written appeal in the manner and within the time period provided in the city's land use regulations. A city may not establish an appeal period that is less than 12 days from the date the written notice of decision required by this subsection was mailed. The notice shall state that the decision will not become final until the period for filing a local appeal has expired. The notice also shall state that a person who is mailed written notice of the decision cannot appeal the decision directly to the Land Use Board of Appeals under ORS 197.830.

(D) An appeal from a hearings officer's decision made without hearing under this subsection shall be to the planning commission or governing body of the city. An appeal from such other person as the governing body designates shall be to a hearings officer, the planning commission or the governing body. In either case, the appeal shall be to a de novo hearing.

(E) The de novo hearing required by subparagraph (D) of this paragraph shall be the initial evidentiary hearing required under ORS 197.763 as the basis for an appeal to the Land Use Board of Appeals. At the de novo hearing:

(i) The applicant and other parties shall have the same opportunity to present testimony, arguments and evidence as they would have had in a hearing under subsection (3) of this section before the decision;

(ii) The presentation of testimony, arguments and evidence shall not be limited to issues raised in a notice of appeal; and

(iii) The decision maker shall consider all relevant testimony, arguments and evidence that are accepted at the hearing.

(b) If a local government provides only a notice of the opportunity to request a hearing, the local government may charge a fee for the initial hearing. The maximum fee for an initial hearing shall be the cost to the local government of preparing for and conducting the appeal, or $250, whichever is less. If an appellant prevails at the hearing or upon subsequent appeal, the fee for the initial hearing shall be refunded. The fee allowed in this paragraph shall not apply to appeals made by neighborhood or community organizations recognized by the governing body and whose boundaries include the site.

(c)(A) Notice of a decision under paragraph (a) of this subsection shall be provided to the applicant and to the owners of record of property on the most recent property tax assessment roll where such property is located:

(i) Within 100 feet of the property that is the subject of the notice when the subject property is wholly or in part within an urban growth boundary;

(ii) Within 250 feet of the property that is the subject of the notice when the subject property is outside an urban growth boundary and not within a farm or forest zone; or

(iii) Within 750 feet of the property that is the subject of the notice when the subject property is within a farm or forest zone.

(B) Notice shall also be provided to any neighborhood or community organization recognized by the governing body and whose boundaries include the site.

(C) At the discretion of the applicant, the local government also shall provide notice to the Department of Land Conservation and Development.

(11) A decision described in ORS 227.160 (2)(b) shall:

(a) Be entered in a registry available to the public setting forth:

(A) The street address or other easily understood geographic reference to the subject property;

(B) The date of the decision; and

(C) A description of the decision made.

(b) Be subject to the jurisdiction of the Land Use Board of Appeals in the same manner as a limited land use decision.

(c) Be subject to the appeal period described in ORS 197.830 (5)(b).

(12) At the option of the applicant, the local government shall provide notice of the decision described in ORS 227.160 (2)(b) in the manner required by ORS 197.763 (2), in which case an appeal to the board shall be filed within 21 days of the decision. The notice shall include an explanation of appeal rights.

(13) Notwithstanding other requirements of this section, limited land use decisions shall be subject to the requirements set forth in ORS 197.195 and 197.828.

SECTION 4. ORS 197.303 is amended to read:

197.303. (1) As used in ORS 197.307, "needed housing" means **all** housing [*types*] **on land zoned for residential use or mixed residential and commercial use that is** determined to meet the need shown for housing within an urban growth boundary at [*particular*] price ranges and rent levels[*, including*] **that are affordable to households within the county with a variety of incomes, including but not limited to households with low incomes, very low incomes and extremely low incomes, as those terms are defined by the United States Department of Housing and Urban Development under 42 U.S.C. 1437a. "Needed housing" includes** [*at least*] the following housing types:

(a) Attached and detached single-family housing and multiple family housing for both owner and renter occupancy;

(b) Government assisted housing;

(c) Mobile home or manufactured dwelling parks as provided in ORS 197.475 to 197.490;

(d) Manufactured homes on individual lots planned and zoned for single-family residential use that are in addition to lots within designated manufactured dwelling subdivisions; and

(e) Housing for farmworkers.

(2) Subsection (1)(a) and (d) of this section [*shall*] **does** not apply to:

(a) A city with a population of less than 2,500.

(b) A county with a population of less than 15,000.

(3) A local government may take an exception under ORS 197.732 to the definition of "needed housing" in subsection (1) of this section in the same manner that an exception may be taken under the goals.

SECTION 5. ORS 197.307 is amended to read:

197.307. (1) The availability of affordable, decent, safe and sanitary housing opportunities for persons of lower, middle and fixed income, including housing for farmworkers, is a matter of statewide concern.

(2) Many persons of lower, middle and fixed income depend on government assisted housing as a source of affordable, decent, safe and sanitary housing.

(3) When a need has been shown for housing within an urban growth boundary at particular price ranges and rent levels, needed housing shall be permitted in one or more zoning districts or in zones described by some comprehensive plans as overlay zones with sufficient buildable land to satisfy that need.

(4) Except as provided in subsection (6) of this section, a local government may adopt and apply only clear and objective standards, conditions and procedures regulating the development of **hous-**

ing, including needed housing [*on buildable land described in subsection (3) of this section*]. The standards, conditions and procedures**:**

(a) May include, but are not limited to, one or more provisions regulating the density or height of a development.

(b) May not have the effect, either in themselves or cumulatively, of discouraging needed housing through unreasonable cost or delay.

(5) The provisions of subsection (4) of this section do not apply to:

(a) An application or permit for residential development in an area identified in a formally adopted central city plan, or a regional center as defined by Metro, in a city with a population of 500,000 or more.

(b) An application or permit for residential development in historic areas designated for protection under a land use planning goal protecting historic areas.

(6) In addition to an approval process for needed housing based on clear and objective standards, conditions and procedures as provided in subsection (4) of this section, a local government may adopt and apply an alternative approval process for applications and permits for residential development based on approval criteria regulating, in whole or in part, appearance or aesthetics that are not clear and objective if:

(a) The applicant retains the option of proceeding under the approval process that meets the requirements of subsection (4) of this section;

(b) The approval criteria for the alternative approval process comply with applicable statewide land use planning goals and rules; and

(c) The approval criteria for the alternative approval process authorize a density at or above the density level authorized in the zone under the approval process provided in subsection (4) of this section.

(7) Subject to subsection (4) of this section, this section does not infringe on a local government's prerogative to:

(a) Set approval standards under which a particular housing type is permitted outright;

(b) Impose special conditions upon approval of a specific development proposal; or

(c) Establish approval procedures.

(8) In accordance with subsection (4) of this section and ORS 197.314, a jurisdiction may adopt any or all of the following placement standards, or any less restrictive standard, for the approval of manufactured homes located outside mobile home parks:

(a) The manufactured home shall be multisectional and enclose a space of not less than 1,000 square feet.

(b) The manufactured home shall be placed on an excavated and back-filled foundation and enclosed at the perimeter such that the manufactured home is located not more than 12 inches above grade.

(c) The manufactured home shall have a pitched roof, except that no standard shall require a slope of greater than a nominal three feet in height for each 12 feet in width.

(d) The manufactured home shall have exterior siding and roofing which in color, material and appearance is similar to the exterior siding and roofing material commonly used on residential dwellings within the community or which is comparable to the predominant materials used on surrounding dwellings as determined by the local permit approval authority.

(e) The manufactured home shall be certified by the manufacturer to have an exterior thermal envelope meeting performance standards which reduce levels equivalent to the performance standards required of single-family dwellings constructed under the state building code as defined in ORS 455.010.

(f) The manufactured home shall have a garage or carport constructed of like materials. A jurisdiction may require an attached or detached garage in lieu of a carport where such is consistent with the predominant construction of immediately surrounding dwellings.

(g) In addition to the provisions in paragraphs (a) to (f) of this subsection, a city or county may subject a manufactured home and the lot upon which it is sited to any development standard, ar-

chitectural requirement and minimum size requirement to which a conventional single-family residential dwelling on the same lot would be subject.

SECTION 6. ORS 197.312 is amended to read:

197.312. (1) A city or county may not by charter prohibit from all residential zones attached or detached single-family housing, multifamily housing for both owner and renter occupancy or manufactured homes. A city or county may not by charter prohibit government assisted housing or impose additional approval standards on government assisted housing that are not applied to similar but unassisted housing.

(2)(a) A single-family dwelling for a farmworker and the farmworker's immediate family is a permitted use in any residential or commercial zone that allows single-family dwellings as a permitted use.

(b) A city or county may not impose a zoning requirement on the establishment and maintenance of a single-family dwelling for a farmworker and the farmworker's immediate family in a residential or commercial zone described in paragraph (a) of this subsection that is more restrictive than a zoning requirement imposed on other single-family dwellings in the same zone.

(3)(a) Multifamily housing for farmworkers and farmworkers' immediate families is a permitted use in any residential or commercial zone that allows multifamily housing generally as a permitted use.

(b) A city or county may not impose a zoning requirement on the establishment and maintenance of multifamily housing for farmworkers and farmworkers' immediate families in a residential or commercial zone described in paragraph (a) of this subsection that is more restrictive than a zoning requirement imposed on other multifamily housing in the same zone.

(4) A city or county may not prohibit a property owner or developer from maintaining a real estate sales office in a subdivision or planned community containing more than 50 lots or dwelling units for the sale of lots or dwelling units that remain available for sale to the public.

(5)(a) A city with a population greater than 2,500 or a county with a population greater than 15,000 shall allow in areas zoned for detached single-family dwellings the development of at least one accessory dwelling unit for each detached single-family dwelling, subject to reasonable local regulations relating to siting and design.

(b) As used in this subsection, "accessory dwelling unit" means an interior, attached or detached residential structure that is used in connection with or that is accessory to a single-family dwelling.

SECTION 7. ORS 215.441 is amended to read:

215.441. (1) If a church, synagogue, temple, mosque, chapel, meeting house or other nonresidential place of worship is allowed on real property under state law and rules and local zoning ordinances and regulations, a county shall allow the reasonable use of the real property for activities customarily associated with the practices of the religious activity, including [*worship services, religion classes, weddings, funerals, child care and meal programs, but not including private or parochial school education for prekindergarten through grade 12 or higher education.*]**:**

(a) Worship services.

(b) Religion classes.

(c) Weddings.

(d) Funerals.

(e) Meal programs.

(f) Child care, but not including private or parochial school education for prekindergarten through grade 12 or higher education.

(g) Providing housing or space for housing in a building that is detached from the place of worship, provided:

(A) At least 50 percent of the residential units provided under this paragraph are affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the real property is located;

(B) The real property is in an area zoned for residential use that is located within the urban growth boundary; and

(C) The housing or space for housing complies with applicable land use regulations and meets the standards and criteria for residential development for the underlying zone.

(2) A county may:

(a) Subject real property described in subsection (1) of this section to reasonable regulations, including site review or design review, concerning the physical characteristics of the uses authorized under subsection (1) of this section; or

(b) Prohibit or restrict the use of real property by a place of worship described in subsection (1) of this section if the county finds that the level of service of public facilities, including transportation, water supply, sewer and storm drain systems is not adequate to serve the place of worship described in subsection (1) of this section.

(3) Notwithstanding any other provision of this section, a county may allow a private or parochial school for prekindergarten through grade 12 or higher education to be sited under applicable state law and rules and local zoning ordinances and regulations.

(4) Housing and space for housing provided under subsection (1)(g) of this section must be subject to a covenant appurtenant that restricts the owner and each successive owner of the building or any residential unit contained in the building from selling or renting any residential unit described in subsection (1)(g)(A) of this section as housing that is not affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the real property is located for a period of 60 years from the date of the certificate of occupancy.

SECTION 8. ORS 227.500 is amended to read:

227.500. (1) If a church, synagogue, temple, mosque, chapel, meeting house or other nonresidential place of worship is allowed on real property under state law and rules and local zoning ordinances and regulations, a city shall allow the reasonable use of the real property for activities customarily associated with the practices of the religious activity, including [*worship services, religion classes, weddings, funerals, child care and meal programs, but not including private or parochial school education for prekindergarten through grade 12 or higher education.*]**:**

(a) Worship services.

(b) Religion classes.

(c) Weddings.

(d) Funerals.

(e) Meal programs.

(f) Child care, but not including private or parochial school education for prekindergarten through grade 12 or higher education.

(g) Providing housing or space for housing in a building that is detached from the place of worship, provided:

(A) At least 50 percent of the residential units provided under this paragraph are affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the real property is located;

(B) The real property is in an area zoned for residential use that is located within the urban growth boundary; and

(C) The housing or space for housing complies with applicable land use regulations and meets the standards and criteria for residential development for the underlying zone.

(2) A city may:

(a) Subject real property described in subsection (1) of this section to reasonable regulations, including site review and design review, concerning the physical characteristics of the uses authorized under subsection (1) of this section; or

(b) Prohibit or regulate the use of real property by a place of worship described in subsection (1) of this section if the city finds that the level of service of public facilities, including transporta-

tion, water supply, sewer and storm drain systems is not adequate to serve the place of worship described in subsection (1) of this section.

(3) Notwithstanding any other provision of this section, a city may allow a private or parochial school for prekindergarten through grade 12 or higher education to be sited under applicable state law and rules and local zoning ordinances and regulations.

(4) Housing and space for housing provided under subsection (1)(g) of this section must be subject to a covenant appurtenant that restricts the owner and each successive owner of the building or any residential unit contained in the building from selling or renting any residential unit described in subsection (1)(g)(A) of this section as housing that is not affordable to households with incomes equal to or less than 60 percent of the median family income for the county in which the real property is located for a period of 60 years from the date of the certificate of occupancy.

SECTION 9. ORS 197.178 is amended to read:

197.178. (1) Local governments with comprehensive plans or functional plans that are identified in ORS 197.296 (1) shall compile and report annually to the Department of Land Conservation and Development the following information for all applications received under ORS 227.175 for residential permits and residential zone changes:

(a) The **total** number of **complete** applications received for residential development, [*including the net residential density proposed in the application and the maximum allowed net residential density for the subject zone*] **and the number of applications approved**;

[*(b) The number of applications approved, including the approved net density; and*]

[*(c) The date each application was received and the date it was approved or denied.*]

(b) The total number of complete applications received for development of housing containing one or more housing units that are sold or rented below market rate as part of a local, state or federal housing assistance program, and the number of applications approved; and

(c) For each complete application received:

(A) The date the application was received;

(B) The date the application was approved or denied;

(C) The net residential density proposed in the application;

(D) The maximum allowed net residential density for the subject zone; and

(E) If approved, the approved net residential density.

(2) The report required by this section may be submitted electronically.

SECTION 10. ORS 215.427 is amended to read:

215.427. (1) Except as provided in subsections (3), (5) and (10) of this section, for land within an urban growth boundary and applications for mineral aggregate extraction, the governing body of a county or its designee shall take final action on an application for a permit, limited land use decision or zone change, including resolution of all appeals under ORS 215.422, within 120 days after the application is deemed complete. The governing body of a county or its designee shall take final action on all other applications for a permit, limited land use decision or zone change, including resolution of all appeals under ORS 215.422, within 150 days after the application is deemed complete, except as provided in subsections (3), (5) and (10) of this section.

(2) If an application for a permit, limited land use decision or zone change is incomplete, the governing body or its designee shall notify the applicant in writing of exactly what information is missing within 30 days of receipt of the application and allow the applicant to submit the missing information. The application shall be deemed complete for the purpose of subsection (1) of this section **and section 1 of this 2017 Act** upon receipt by the governing body or its designee of:

(a) All of the missing information;

(b) Some of the missing information and written notice from the applicant that no other information will be provided; or

(c) Written notice from the applicant that none of the missing information will be provided.

(3)(a) If the application was complete when first submitted or the applicant submits additional information, as described in subsection (2) of this section, within 180 days of the date the application was first submitted and the county has a comprehensive plan and land use regulations acknowledged under ORS 197.251, approval or denial of the application shall be based upon the standards and criteria that were applicable at the time the application was first submitted.

(b) If the application is for industrial or traded sector development of a site identified under section 12, chapter 800, Oregon Laws 2003, and proposes an amendment to the comprehensive plan, approval or denial of the application must be based upon the standards and criteria that were applicable at the time the application was first submitted, provided the application complies with paragraph (a) of this subsection.

(4) On the 181st day after first being submitted, the application is void if the applicant has been notified of the missing information as required under subsection (2) of this section and has not submitted:

(a) All of the missing information;

(b) Some of the missing information and written notice that no other information will be provided; or

(c) Written notice that none of the missing information will be provided.

(5) The period set in subsection (1) of this section **or the 100-day period set in section 1 of this 2017 Act** may be extended for a specified period of time at the written request of the applicant. The total of all extensions, except as provided in subsection (10) of this section for mediation, may not exceed 215 days.

(6) The period set in subsection (1) of this section applies:

(a) Only to decisions wholly within the authority and control of the governing body of the county; and

(b) Unless the parties have agreed to mediation as described in subsection (10) of this section or ORS 197.319 (2)(b).

(7) Notwithstanding subsection (6) of this section, the period set in subsection (1) of this section **and the 100-day period set in section 1 of this 2017 Act do** [*does*] not apply to a decision of the county making a change to an acknowledged comprehensive plan or a land use regulation that is submitted to the Director of the Department of Land Conservation and Development under ORS 197.610.

(8) Except when an applicant requests an extension under subsection (5) of this section, if the governing body of the county or its designee does not take final action on an application for a permit, limited land use decision or zone change within 120 days or 150 days, as applicable, after the application is deemed complete, the county shall refund to the applicant either the unexpended portion of any application fees or deposits previously paid or 50 percent of the total amount of such fees or deposits, whichever is greater. The applicant is not liable for additional governmental fees incurred subsequent to the payment of such fees or deposits. However, the applicant is responsible for the costs of providing sufficient additional information to address relevant issues identified in the consideration of the application.

(9) A county may not compel an applicant to waive the period set in subsection (1) of this section or to waive the provisions of subsection (8) of this section or ORS 215.429 **or section 1 of this 2017 Act** as a condition for taking any action on an application for a permit, limited land use decision or zone change except when such applications are filed concurrently and considered jointly with a plan amendment.

(10) The periods set forth in [*subsection (1)*] **subsections (1) and (5)** of this section **and section 1 of this 2017 Act** [*and the period set forth in subsection (5) of this section*] may be extended by up to 90 additional days, if the applicant and the county agree that a dispute concerning the application will be mediated.

SECTION 11. ORS 227.178 is amended to read:

227.178. (1) Except as provided in subsections (3), (5) and (11) of this section, the governing body of a city or its designee shall take final action on an application for a permit, limited land use de-

cision or zone change, including resolution of all appeals under ORS 227.180, within 120 days after the application is deemed complete.

(2) If an application for a permit, limited land use decision or zone change is incomplete, the governing body or its designee shall notify the applicant in writing of exactly what information is missing within 30 days of receipt of the application and allow the applicant to submit the missing information. The application shall be deemed complete for the purpose of subsection (1) of this section **or section 1 of this 2017 Act** upon receipt by the governing body or its designee of:

(a) All of the missing information;

(b) Some of the missing information and written notice from the applicant that no other information will be provided; or

(c) Written notice from the applicant that none of the missing information will be provided.

(3)(a) If the application was complete when first submitted or the applicant submits the requested additional information within 180 days of the date the application was first submitted and the city has a comprehensive plan and land use regulations acknowledged under ORS 197.251, approval or denial of the application shall be based upon the standards and criteria that were applicable at the time the application was first submitted.

(b) If the application is for industrial or traded sector development of a site identified under section 12, chapter 800, Oregon Laws 2003, and proposes an amendment to the comprehensive plan, approval or denial of the application must be based upon the standards and criteria that were applicable at the time the application was first submitted, provided the application complies with paragraph (a) of this subsection.

(4) On the 181st day after first being submitted, the application is void if the applicant has been notified of the missing information as required under subsection (2) of this section and has not submitted:

(a) All of the missing information;

(b) Some of the missing information and written notice that no other information will be provided; or

(c) Written notice that none of the missing information will be provided.

(5) The 120-day period set in subsection (1) of this section **or the 100-day period set in section 1 of this 2017 Act** may be extended for a specified period of time at the written request of the applicant. The total of all extensions, except as provided in subsection (11) of this section for mediation, may not exceed 245 days.

(6) The 120-day period set in subsection (1) of this section applies:

(a) Only to decisions wholly within the authority and control of the governing body of the city; and

(b) Unless the parties have agreed to mediation as described in subsection (11) of this section or ORS 197.319 (2)(b).

(7) Notwithstanding subsection (6) of this section, the 120-day period set in subsection (1) of this section **and the 100-day period set in section 1 of this 2017 Act do** [*does*] not apply to a decision of the city making a change to an acknowledged comprehensive plan or a land use regulation that is submitted to the Director of the Department of Land Conservation and Development under ORS 197.610.

(8) Except when an applicant requests an extension under subsection (5) of this section, if the governing body of the city or its designee does not take final action on an application for a permit, limited land use decision or zone change within 120 days after the application is deemed complete, the city shall refund to the applicant, subject to the provisions of subsection (9) of this section, either the unexpended portion of any application fees or deposits previously paid or 50 percent of the total amount of such fees or deposits, whichever is greater. The applicant is not liable for additional governmental fees incurred subsequent to the payment of such fees or deposits. However, the applicant is responsible for the costs of providing sufficient additional information to address relevant issues identified in the consideration of the application.

(9)(a) To obtain a refund under subsection (8) of this section, the applicant may either:

(A) Submit a written request for payment, either by mail or in person, to the city or its designee; or

(B) Include the amount claimed in a mandamus petition filed under ORS 227.179. The court shall award an amount owed under this section in its final order on the petition.

(b) Within seven calendar days of receiving a request for a refund, the city or its designee shall determine the amount of any refund owed. Payment, or notice that no payment is due, shall be made to the applicant within 30 calendar days of receiving the request. Any amount due and not paid within 30 calendar days of receipt of the request shall be subject to interest charges at the rate of one percent per month, or a portion thereof.

(c) If payment due under paragraph (b) of this subsection is not paid within 120 days after the city or its designee receives the refund request, the applicant may file an action for recovery of the unpaid refund. In an action brought by a person under this paragraph, the court shall award to a prevailing applicant, in addition to the relief provided in this section, reasonable attorney fees and costs at trial and on appeal. If the city or its designee prevails, the court shall award reasonable attorney fees and costs at trial and on appeal if the court finds the petition to be frivolous.

(10) A city may not compel an applicant to waive the 120-day period set in subsection (1) of this section or to waive the provisions of subsection (8) of this section or ORS 227.179 **or section 1 of this 2017 Act** as a condition for taking any action on an application for a permit, limited land use decision or zone change except when such applications are filed concurrently and considered jointly with a plan amendment.

(11) The [*period*] **periods** set forth in [*subsection (1)*] **subsections (1) and (5)** of this section **and section 1 of this 2017 Act** [*and the period set forth in subsection (5) of this section*] may be extended by up to 90 additional days, if the applicant and the city agree that a dispute concerning the application will be mediated.

SECTION 12. The amendments to ORS 197.312, 215.416 and 227.175 by sections 2, 3 and 6 of this 2017 Act become operative on July 1, 2018.

SECTION 13. (1) Section 1 of this 2017 Act and the amendments to ORS 197.178, 197.303, 197.307, 215.427, 215.441, 227.178 and 227.500 by sections 4, 5 and 7 to 11 of this 2017 Act apply to permit applications submitted for review on or after the effective date of this 2017 Act.

(2) The amendments to ORS 215.416 and 227.175 by sections 2 and 3 of this 2017 Act apply to applications for housing development submitted for review on or after July 1, 2018.

(3) The amendments to ORS 197.312 by section 6 of this 2017 Act apply to permit applications for accessory dwelling units submitted for review on or after July 1, 2018.

SECTION 14. This 2017 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2017 Act takes effect on its passage.

Passed by Senate April 19, 2017

Repassed by Senate July 7, 2017

.....
Lori L. Brocker, Secretary of Senate

.....
Peter Courtney, President of Senate

Passed by House July 6, 2017

.....
Tina Kotek, Speaker of House

Received by Governor:

.....M.,....., 2017

Approved:

.....M.,....., 2017

.....
Kate Brown, Governor

Filed in Office of Secretary of State:

.....M.,....., 2017

.....
Dennis Richardson, Secretary of State

REQUEST FOR COUNCIL ACTION

PREFERRED AGENDA:	TITLE:	TYPE OF ACTION:
	National Night Out Street	x RESOLUTION
SUBMITTED BY:	Closure	__ MOTION
Chief Jeff Lynn		__ OTHER
REVIEWED:	ATTACHMENTS:	
	Application/Map	

PURPOSE OF THIS MEMO:
Should the City of Sweet Home pass the attached Resolution for 2018 to allow for Neighborhood Watch groups to hold gatherings and close a portion of Mimosa Circle?

BACKGROUND/CONTEXT:
On August 7th, 2018 the Sweet Home Police Department is facilitating observance of National Night Out Against Crime (NNO) by local Neighborhood Watch groups. NNO encourages neighborhood groups to meet with and get to know their neighbors. Street gatherings are held for this purpose and thus require barricades and signage for safety purposes. The Spring Terrace Homeowners Association (Mimosa Circle) is wishing to host an event in their neighborhood.

The Spring Terrace Homeowners Association if requesting the use of two (2) large road barricades to temporarily close off a portion of Mimosa Circle in order to host an Ice Cream Social event in observance of National Night Out.

OPTIONS:
1. *Deny the requested street closure*.

2. *Adopt the attached Resolution No. 12 authorizing the partial closure of Mimosa Circle for the National Night Out Against Crime Event on August 7th*.

RECOMMENDATION:
I recommend option #2. Motion to adopt Reolution No. 12 for 2018 authorizing the partial closure of Mimosa Circle for the National Night Out Against Crime Event on August 7th. National Night Out is intended to encourage neighborhoods to gather together and form closer bonds. The partial closure of Mimosa Circle will enhance the experience.

City of Sweet Home

NATIONAL NIGHT OUT STREET BLOCKAGE APPLICATION

1. Applications must be received by the Sweet Home Police Department within (45) days prior to the gathering.

2. The application is then presented to City Council for approval

3. Applicant must notify and obtain signatures of ALL homeowners along the closed section of road.

4. A legible map, in black & white, must be included; it must clearly define all areas affected by the road closure or use.

APPLICATION REQUEST

Date of Gathering: AUGUST 7TH 2018

Hours of Gathering: 6:30 p.m. to 9:30 p.m.

The undersigned agrees to hold harmless the City of Sweet Home from any and all claims, liabilities, damages or right of action directly or indirectly arising as a consequence of the undersigned's involvement with blocking the street.

Contact Name (signed): Jon Arnold

Contact Name (printed): JON ARNOLD

Address: 4906 MIMOSA CIRCLE

Phone: 541-219-6641

Barricades will be provided by Sweet Home Public Works the day of the event.

Residents are responsible for placing & removing barricades from the roadway.

Barricades will be placed alongside the roadway for SHPW to pick up.

OFFICIAL USE ONLY

Approved: _____ Denied: _____

Signed: _____

A copy of this form needs to be onsite during event.

Rec'd 8-10-18 gk

Resident's Agreement

For National Night Out Road Closure

Applicant: SPRING TERRACE HOA

Location: 4919/4921 MIMOSA CIRCLE Event Date: Aug 7th 2018

Event start time: 6:30 pm Event end time: 9:30 pm

(Note: Signatures are required by all residents affected by the closure or use of the street/sidewalk during the event.)

Name (Please print)		Name (Signature)
Henry Summers	c/1920	
Janet McInerney	4919	Janet McInerney
Ivan L. Vandehei	4921	Ivan L Vandehei
Diane Blomberg	4918	Diane Blomberg

A copy of this form needs to be onsite during event.

EMERGENCY EQUIPMENT RENTAL FORM

The following City materials or supplies have been requested by parties for personal use. These items must be returned within two (2) days and the person whose signature appears below will be the responsible party for any damage or loss, and will be expected to return them on the date stated. All items must be returned and checked in at the front office prior to deposit return. Late returns will result in deposit forfeiture.

Today's Date: _____

Item(s) to be loaned:	Quantity	Fee/Day
2 LARGE ROAD BARICADES	2	

SUBTOTAL: _____

Deposit: _____

Total Fees: _____

Purpose of Use: NATIONAL NIGHT OUT SOCIAL

Location of Use: 4919/4921 MIMOSA CIRCLE SWEET HOME

Responsible Party (please print): JON ARNOLD

Expected Date of Return: AUG. 8TH, 2018

Signature Jon Arnold

Address: 4906 MIMOSA CIRCLE

Phone: 541-219-6641

C.S. 24123

SPRING TERRACE

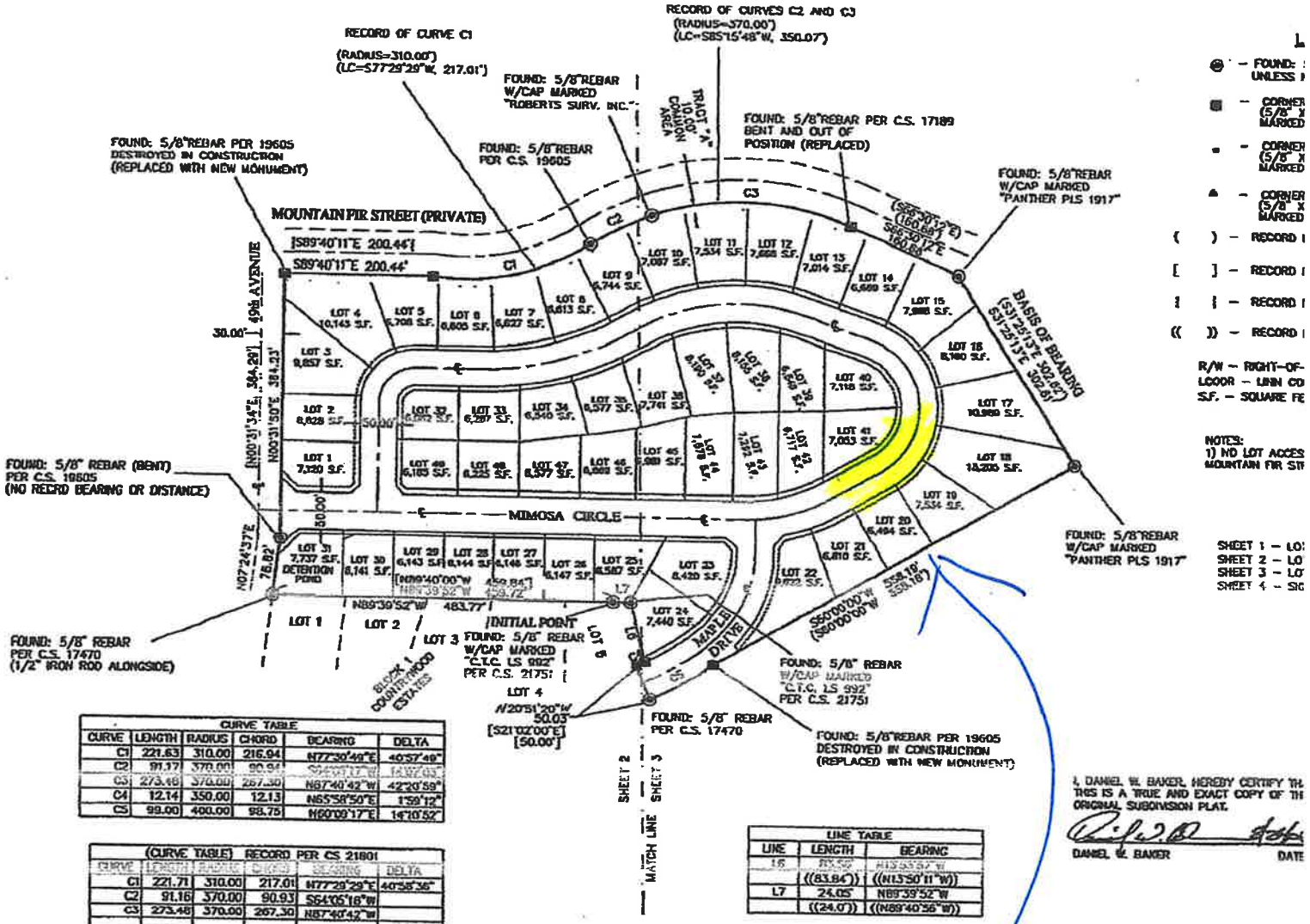
IN THE

SOUTHWEST 1/4 SECTION 27, T13S, R1E, W.M.,

SWEET HOME, LINN COUNTY, OREGON

APRIL 14, 2005

SCALE 1"=100'



CURVE TABLE					
CURVE	LENGTH	RADIUS	CHORD	BEARING	DELTA
C1	221.63	310.00	216.94	N77°30'49"E	40°57'49"
C2	91.17	370.00	90.93	S64°05'18"W	14°06'03"
C3	273.46	370.00	267.30	N87°40'42"W	42°20'59"
C4	12.14	350.00	12.13	N65°58'50"E	1°59'12"
C5	99.00	400.00	98.75	N60°09'17"E	14°10'52"

(CURVE TABLE) RECORD PER C.S. 21801					
CURVE	LENGTH	RADIUS	CHORD	BEARING	DELTA
C1	221.71	310.00	217.01	N77°29'29"E	40°58'36"
C2	91.16	370.00	90.93	S64°05'18"W	
C3	273.46	370.00	267.30	N87°40'42"W	
C5	99.00	400.00	98.75	N60°09'17"E	

LINE TABLE		
LINE	LENGTH	BEARING
L6	((83.84'))	((N13°30'11"W))
L7	24.05'	N89°39'52"W
	((24.0'))	((N89°40'56"W))

FOUND: 5/8" REBAR - UNLESS
CORNER (5/8" MARKED
CORNER (5/8" MARKED
CORNER (5/8" MARKED
( ) - RECORD
[ ] - RECORD
| | - RECORD
(( )) - RECORD
R/W - RIGHT-OF-
LCOOR - LINN CO
S.F. - SQUARE FE

NOTES:
1) NO LOT ACCES
MOUNTAIN FIR ST

SHEET 1 - LO
SHEET 2 - LO
SHEET 3 - LO
SHEET 4 - SIG

I, DANIEL W. BAKER, HEREBY CERTIFY TH
THIS IS A TRUE AND EXACT COPY OF TH
ORIGINAL SUBDIVISION PLAT.

DANIEL W. BAKER DATE

BAKER AND ASSOCIATES, S
1385 OAK STREET-SUITE 3 EU
(541) 343-7243

BLOCK

4920 4919

4921 4918

Location will be In front of 4919/4921

This will be our block party, come and enjoy

Starts at 7:30 p.m.

Bring the family, and lawn chairs

For info contact:
Janet McInerney
909-615-6723

AUG. 7, 2018

NATIONAL NIGHT OUT ICE CREAM SOCIAL

This is a yearly event our HOA community has participated in. Previously we held a catered dinner, but this year we hope our Ice Cream Social will generate more participation of our families. Bring your folding chairs, we will supply all the fixings to "make your own sundae", some music and the opportunity to get to know your neighbors better.

SPRING TERRACE HOME OWNERS ASSOCIATION

RESOLUTION NO. 12 FOR 2018

A RESOLUTION CONCERNING STREET CLOSURES AND RESTRICTIONS.

WHEREAS, on August 7th, 2018 the Sweet Home Police Department will partnership with local Neighborhood Watch groups to celebrate National Night Out Against Crime thus requiring certain street closures for neighborhood gatherings; and

WHEREAS, traffic patterns and parking issues need to be addressed to safely accommodate the event; and

WHEREAS, Sweet Home Municipal Code 10.04.030 provides that the City Council may, by resolution, establish or alter traffic and parking control;

NOW, THEREFORE, the City of Sweet Home does resolve as follows:

Traffic regulations shall be kept in effect as follows:

A. From 6:30 PM – 9:30 PM on August 7th, 2018, Mimosa Circle between the addresses of 4918 and 4921 Mimosa Circle, inclusive, will be closed and blocked off to all vehicular traffic.

B. Appropriate signs, barricades or other markings shall be provided by the Public Works Department to safely carry out the provisions of this resolution and shall become effective immediately upon the installation of such barricades, signs or other markings.

PASSED by the Council and approved by the Mayor this 24th day of July, 2018.

_____
Mayor

ATTEST:

_____
City Manager - Ex Officio City Recorder

REQUEST FOR COUNCIL ACTION

PREFERRED AGENDA:	TITLE:	TYPE OF ACTION:
July 24, 2018	Oregon Jamboree	X RESOLUTION
SUBMITTED BY:	RCA/Resolution	__ MOTION
J. Lynn, Chief of Police		__ OTHER
REVIEWED:	**ATTACHMENTS:**	
R. Towry, City Manager	2018 City Proposal	

PURPOSE OF THIS MEMO:

The Oregon Jamboree has presented a list of requests to the City in order to conduct the 2018 Oregon Jamboree.

BACKGROUND/CONTEXT:

This is the twenty-sixth annual Oregon Jamboree. The Jamboree requires several variances to SHMC to operate. The requests are:

1. Complete closure of Sankey Park and Weddle Bridge from 6:00 AM on Monday, July 31th, 2018 to 10:00 PM on Tuesday, August 7th, 2018;
2. Partial closure of sections of 14th Ave. from Kalmia St. to Grape St.;
3. Partial closure of 18th Ave. from Long St. to Mountain View Rd. with designation of portions of 18th Ave (between Long St. and concert grounds) as Disabled Parking Only and the designation of No Parking (on Ames Creek Rd. between Grape St. and Mountain View Rd.);
4. Acknowledgment of OLCC Temporary Sales License Applications;
5. Waiver of SHMC 5.12.010 Transient Merchant License requirements for all Oregon Jamboree vendors;
6. Waiver of water service, equipment and some employee service fees;
7. Granting of Public Address System Permits; one for the Main Stage, another for Sankey Park and a third for Thursday night only on 18th Avenue adjacent to Jamboree Grounds.
8. Permission to use City property, including a portion of Sankey Park, for beer gardens and recommended approval of Liquor License;
9. Permission to use Northside Park for camping;
10. Waiver of Event Fee as established under SHMC 5.04.010 which is $50 per day;
11. General assistance from the City.
12. Permission to allow semi-truck and equipment storage on City owned property at the Public Works Environmental & Transportation Services Facility on 24th Ave.

The Jamboree requests Sankey Park again be utilized by the event and will host a beer garden, a second stage, a children's play area and various vendor booths. The Jamboree is requesting that the park be closed to the public several days in advance. They have asked for park possession four days in advance of the event and two days after.

A portion of 18th Ave will again be blocked off 24 hours a day during the event to protect concert patrons.

The Police Department will maintain staffing during the event. Officers will be on foot and in vehicles covering not only the Jamboree grounds but also the nearby

surrounding campgrounds. The Jamboree will continue to augment police staffing using DPSST certified private security personnel to deal with unruly patrons.

The Oregon Jamboree also has 23 camp sites of varying sizes throughout the City and surrounding area. There are roughly 2100 camp sites that are rented out throughout the weekend.

The daily attendance is typically estimated at between 11,000 to 15,000 people.

The enforcement and security effort of SHPD is augmented with assistance from the Linn County Sheriff's Office, the Lebanon Police Department and the Oregon State Police.

ISSUES & FINACIAL IMPACTS:

This event has substantial impact on several City agencies. Funds spent in support of this event may impact our ability to provide general services to the City later in the year, should an emergency arise.

Below are varous call levels associated with different weekends during summer months. It is provided as a comparison between the Oregon Jamboree weekend and other weekends.

Thursday thru Monday	2017	2016	2015	2014	2013
Jamboree	269	220	229	207	221
Sportsman Holiday	152	111	127	130	125
Memorial Day	157	127	102	120	90
Labor Day	115	135	149	144	98

Conversely, the event has a powerful and positive impact on the community as a whole and the City's support of the event is warranted.

During the event the Police Department increases patrol staffing and requires all officers and dispatchers to work additional shifts which results in overtime costs. The Oregon Jamboree does reimburse the Department for the staffing cost associated with personnel assigned to the interior. Total overtime expenses for the Departmet is estimated at $12,400. The Department anticipates billing the Oregon Jamboree approximately $7700 for personnel expenses which would equate to a Department expense of approximately $4700.

OPTIONS:

1. *Approve Resolution No. 13 for 2018, A RESOLUTION CONCERNING THE OREGON JAMBOREE, PARK CLOSURES, STREET CLOSURES AND RESTRICTIONS as submitted.* The Oregon Jamboree has been holding the event at its current location for 26 years. The majority of requests are a result of past experiences to improve the overall safety and function of the event.
2. *Approve a portion of the requests or alter the submitted requests.*

RECOMMENDATION:

I recommend option #1, *motion to approve Resolution No. 13 for 2018, A RESOLUTION CONCERNING THE OREGON JAMBOREE, PARK CLOSURES, STREET CLOSURES AND RESTRICTIONS as submitted*

2018 OREGON JAMBOREE
ITINERARY

MONDAY 07/30/18

Sankey Park

Closes to the public at 6:00 a.m.

Re-opens to the public on Tuesday (8-7-18) at 10:00 p.m. *(This represents a change from previous years when Sankey Park would re-open to the public on the Monday following the Jamboree at 10:00 p.m.)*

THURSDAY 08/02/18

Road Closure - 11:00 a.m. on Thursday (08-02-18) until 10:00 p.m. on Sunday (08-05-18)

18th Avenue immediately adjacent to Jamboree Grounds

Disabled Parking - 11:00 a.m. on Thursday (08-02-18) until 10:00 p.m. on Sunday (08-05-18)

On 18th Avenue from Long St. to Jamboree concert grounds

AND

1800 block of Kalmia Street

No Parking - 11:00 a.m. on Thursday (08-02-18) until 10:00 p.m. on Sunday (08-05-18)

18th Avenue/Ames Creek Rd. (south of Jamboree to Mountain View Rd.)

Northside Park

Camp site for Oregon Jamboree volunteers (47 spaces)

Camp site opens at 2:00 p.m. on Thursday (08-02-18) until Sunday (08-05-18) at 11:00 p.m.

The park is not closed to the public

3225 Hwy 20 (Future City Hall)

Camp site for Oregon Jamboree patrons (111 spaces – both tent and rv)

Check in begins on Thursday (08-02-18) at 2:00 p.m.

Kick-off Concert (Pre-event Concert) – 4:00 p.m. to 10:00 p.m.

The Oregon Jamboree is proposing a pre-event concert on 18th Avenue on Thursday (08-02-18), adjacent to the concert grounds. The pre-event (Kick-off) concert will have alcohol sales associated with it. The alcohol sales will be operated and monitored by the Oregon Beverage Service. The pre-event will consist of several acts and will be open to the general public. The event will operate from 1600 to 2200 hours.

Elements of this pre-event are a change from previous years.

FRIDAY 08/03/18

Road Closure - 18th Avenue from Long to Kalmia
7:00 a.m. on Friday (08-03-18) until 9:00 p.m. on Sunday (08-05-18)

Road Closure - 18th Avenue/Ames Creek Rd from Grape St. to Mtn. View Road
7:00 a.m. on Friday (08-03-18) until 9:00 p.m. on Sunday (08-05-18)

Road Closure - 14th Avenue from Kalmia St. to Grape St.
7:00 a.m. on Friday (08-03-18) until 9:00 p.m. on Sunday (08-05-18)

PA Permit
2018 request - 12:00 p.m. until 12:00 a.m.
2017 request - 12:00 p.m. until 11:00 p.m.

Gates Open – 1:00 p.m.

SATURDAY 08/04/18

PA Permit
2018 request - 11:00 a.m. until 12:00 a.m.
2017 request - 12:00 p.m. until 11:00 p.m.

Gates Open – 11:00 a.m.

SUNDAY 08/05/18

PA Permit
2018 request - 11:00 a.m. until 9:00 p.m.
2017 request - 12:00 p.m. until 10:00 p.m.

Gates Open – 11:00 a.m.

TUESDAY 08/07/18

Sankey Park
Re-opens to the public on Tuesday (8-7-18) at 10:00 p.m.

2018 OREGON JAMBOREE
REQUESTS

Road Closures/Parking

18th Avenue from Long to Kalmia
7:00 a.m. on Friday (08-03-18) until 9:00 p.m. on Sunday (08-05-18)
Consistent with previous year's request

18th Avenue/Ames Creek Rd from Grape St. to Mtn. View Road
7:00 a.m. on Friday (08-03-18) until 9:00 p.m. on Sunday (08-05-18)
Consistent with previous year's request

18th Avenue immediately adjacent to Jamboree Grounds
11:00 a.m. on Thursday (08-02-18) until 10:00 p.m. on Sunday (08-05-18)
Consistent with previous year's request

14th Avenue from Kalmia St. to Grape St.
7:00 a.m. on Friday (08-03-18) until 9:00 p.m. on Sunday (08-05-18)
Consistent with previous year's request

Disabled Parking
On 18th Avenue from Long St. to Jamboree concert grounds
AND
1800 block of Kalmia Street
11:00 a.m. on Thursday (08-02-18) until 10:00 p.m. on Sunday (08-05-18)
Consistent with previous year's request

No Parking along 18th Avenue/Ames Creek Rd. (south of Jamboree to Mountain View Rd.)
11:00 a.m. on Thursday (08-02-18) until 10:00 p.m. on Sunday (08-05-18)
Consistent with previous year's request

City Property

Sankey Park
Closes to the public Monday (7-30-18) at 6:00 a.m.
Re-opens to the public on Tuesday (8-7-18) at 10:00 p.m. *(This represents a change from previous years when Sankey Park would re-open to the public on the Monday following the Jamboree at 10:00 p.m.)*

Northside Park
Camp site for Oregon Jamboree volunteers (47 spaces)
Camp site opens at 2:00 p.m. on Thursday (08-02-18) until Sunday (08-05-18) at 11:00 p.m.
The park is not closed to the public
Consistent with previous year's request

3225 Hwy 20 (Future City Hall)

Camp site for Oregon Jamboree patrons (111 spaces – both tent and rv)
Check in begins on Thursday (08-02-18) at 2:00 p.m.
Consistent with previous year's request

Liquor Licenses

Oregon Jamboree

The Oregon Jamboree will have 4 alcohol service areas within the venue. This is consistent with years past. The alcohol service areas will operate on Friday, Saturday and Sunday of the event.

Oregon Beverage Service

The Oregon Jamboree is proposing a pre-event concert on 18th Avenue on Thursday (08-02-18), adjacent to the concert grounds. The pre-event (Kick-off) concert will have alcohol sales associated with it. The alcohol sales will be operated and monitored by the Oregon Beverage Service. The pre-event will consist of several acts and will be open to the general public. The event will operate from 1600 to 2200 hours.

Elements of this pre-event are a change from previous years. Previous years have lasted approximately two hours (6:00 p.m. until 8:00 p.m.) and have not had alcohol sales.

Public Address Permits

Thursday

Pre-event (Kick-off) concert
2018 request - 5:00 p.m. until 10:00 p.m.
2017 request - 6:00 p.m. until 8:00 p.m.

Friday

2018 request - 12:00 p.m. until 12:00 a.m.
2017 request - 12:00 p.m. until 11:00 p.m.

Saturday

2018 request - 11:00 a.m. until 12:00 a.m.
2017 request - 12:00 p.m. until 11:00 p.m.

Sunday

2018 request - 11:00 a.m. until 9:00 p.m.
2017 request - 12:00 p.m. until 10:00 p.m.

OREGON JAMBOREE music festival

2018

OREGON LIQUOR CONTROL COMMISSION

Temporary Sales License Application
Plan to Manage Special Events

OREGON LIQUOR CONTROL COMMISSION

TEMPORARY SALES LICENSE APPLICATION

The Temporary Sales License (TSL) allows you to sell distilled spirits, malt beverages, wine, and cider for drinking within the special event licensed area, manufacturer-sealed containers of malt beverage, wine, and cider for drinking out of the special event licensed area, and malt beverages, wine, or cider in a securely covered container (i.e. growlers) for taking out of the special event licensed area.

- **Process Time:** OLCC needs your completed application in sufficient time to approve it. Sufficient time is typically 1 to 3 weeks before the first event date listed in #11 below. Some events may need extra processing time. OLCC may refuse to process your application if it is not submitted in sufficient time for the OLCC to investigate it.
- **License Fee:** $50 per license day or any part of a license day. **Make payment by check or money order, payable to OLCC.** A license day is from 7:00 am to 2:30 am on the succeeding calendar day.
- **License Days:** In #11 below, you may apply for a maximum of **seven** license days per application form.

PLEASE PRINT

1. Applicant Name: The Oregon Jamboree **2.** E-Mail: carli@oregonjamboree.com

3. Mailing address: 401 Main Street, Suite D

4. City: Sweet Home **5.** State: OR **6.** Zip Code: 97386 **7.** Fax: 541.367.8400

8. Contact Person: Carlene Erickson **9.** Contact Phone: 541.367.8800

10. Event Name: The Oregon Jamboree

11. Date(s) of event (no more than **seven** days): Friday August 3 - Sunday, August 5, 2018

12. Start/End hours of alcohol service: 11:00 ☒ AM ☐ PM to 12:00 ☒ AM ☐ PM

13. Address of Special Event Licensed Area: 800 18th Avenue (Street) Sweet Home, OR 97386 (City/Zip)

14. Is the event outdoors? ☒ Yes ☐ No

14a. If no, in what area(s) of the building is the event located? Jim Riggs Community Center

14b. If yes, submit a drawing showing the licensed area and how the boundaries of the licensed area will be identified.

15. List the primary activities within the licensed area: licensed area is contained within the grounds of a country music festival.

16. Will minors be allowed at the event? ☒ Yes ☐ No

17. If yes, will minors and alcohol be allowed in the same area? ☒ Yes ☐ No

18. What is the expected attendance per day in the licensed area (where alcohol will be sold or consumed)? varies

PLAN TO MANAGE THE SPECIAL EVENT LICENSED AREA: If your answer to #18 is 501 or more, **in addition** to your answers to questions 19, 20, and 21, you will need to complete the OLCC's Plan to Manage Special Events form, unless the OLCC exempts you from this requirement.

19. Describe your plan to prevent problems and violations.
Alcohol monitors will be roaming as well as servers checking ID of every individual entering the areas where alcohol is served. See the attached OLCC Plan to Manage Special Events for additional information.

20. Describe your plan to prevent minors from gaining access to alcoholic beverages and from gaining access to any portion of the licensed premises prohibited to minors.
Security will be checking the ID of every individual attempting to enter the area where alcohol is to be served. See the attached OLCC Plan to Manage Special Events for additional information.

21. Describe your plan to manage alcohol consumption by adults.
See the attached OLCC Plan to Manage Special Events for additional information.

A nonprofit or charitable organization with a Registry Number issued by the Oregon Secretary of State's office (see TSL Application Guide) may use servers who don't hold a service permit. These servers must attend training provided by the applicant and read, sign, and date the OLCC provided brochure What Every Volunteer Alcohol Server Needs to Know.

22. Nonprofit or Charitable Organization Oregon Registry Number (or "N/A" if not applicable): 207333-82

23. List name(s) and service permit number(s) of **alcohol manager(s)** on duty and in the licensed area:
Caroll Unruh #036S6B

LIQUOR LIABILITY INSURANCE: If the licensed area is open to the public and **expected attendance is 301** or more per day in the licensed area, you must have at least $300,000 of liquor liability insurance coverage as required by ORS 471.168.

24. Insurance Company: JD Fulwiler & Co. Insurance **25.** Policy #: CLA201080013 **26.** Expiration Date: Feb 1, 2019

27. Name of Insurance Agent: Kristina Solberg **28.** Phone (503) 293-8325

29. Will you serve distilled spirits by the drink? ☒ Yes ☐ No

If yes, list three different substantial food items; if no, list two:

1) Hamburgers 2) Sausage dogs 3) Tacos/burritos

GOVERNMENT RECOMMENDATION: Once you've completed this form to this point, you must obtain a recommendation from the local city or county named in #30 below **before** submitting this application to the OLCC.

30. Name the city if the event address is within a city's limits or name the county if the event address is outside the city's limits:
Sweet Home, Oregon

I affirm that I am authorized to sign this application on behalf of the applicant.

31. Applicant Name (please print): Carlene Erickson

32. APPLICANT SIGNATURE: Carlene Erickson **33.** Date: May 2, 2018

CITY OR COUNTY USE ONLY

The city/county named in #30 above recommends:

☐ Grant ☐ Acknowledge ☐ Deny (attach written explanation of deny recommendation)

City/County Signature: _____ Date: _____

FORM TO OLCC: This license is valid only when signed by an OLCC representative. Submit this form to the OLCC office regulating the county in which your special event will happen.

OLCC USE ONLY

Fee Paid: _____ Date: _____ Receipt #: _____

License is: ☐ Approved ☐ Denied

OLCC Signature: _____ Date: _____

OREGON LIQUOR CONTROL COMMISSION

PLAN TO MANAGE SPECIAL EVENTS

When the expected attendance per day in the area where alcohol will be sold or consumed is 501 or more, any applicant for a Temporary Sales License (TSL), Special Event Winery (SEW), Special Event Grower (SEG), Special Event Brewery-Public House (SEPBH), Special Event Distillery (SED), or a Temporary Use event must complete this form (unless exempted from this requirement by the OLCC) and submit it with the application to the OLCC.

Other applicants (those expecting 500 or fewer attendees per day in the licensed area) may choose to use this form. In some cases, even if the expected daily attendance is 500 or fewer, the OLCC may require this form.

Examples of times when the OLCC may require more detailed information, even if the expected daily attendance in the area where alcohol will be sold or consumed is 500 or fewer, include a licensed area: projecting an emphasis on alcohol consumption; projecting an emphasis on entertainment; or proposing to allow minors and alcohol together in the same area.

Please note that for some licensed areas, in order to convince the OLCC that you will adequately manage the licensed area, the OLCC may require more details in addition to your completed PLAN TO MANAGE SPECIAL EVENTS form or any other information you submitted regarding how you will control the licensed area.

If there will be more than one of the above licensees making alcohol available in the same area(s) of the same event, all licensees may agree to submit and follow one plan.

1. Event Name: The Oregon Jamboree

2. Applicant Name: Carlene Erickson

3. Date(s) of event: Friday, August 3 - Sunday, August 5, 2018

4. Start/End hours of alcohol service: 11:00 ☒ AM ☐ PM to 12:00 ☒ AM ☒ PM

5. Event Street Address: 800 18th Avenue

6. City: Sweet Home 7. County: Linn 8. Zip: 97386

9. Will minors be allowed at the event? ☒ Yes ☐ No

10. If yes, will minors and alcohol be allowed together in the same area? ☒ Yes ☐ No

11. Will any portion of the licensed premises be prohibited to minor patrons? ☒ Yes ☐ No

    If yes, describe your plan to prevent minor patrons from gaining access to the prohibited area:
    Minors will be allowed in Sponsor Hospitality & Artist Reception Areas; these areas are consumption areas and limited to selected and invited individuals. Minors will not be permitted in Beer Garden areas which are 21 and over areas. These areas are very controlled to prevent unauthorized persons entry

12. Estimated total attendance per day in area(s) where alcohol will be sold or consumed: See attached staff

13. List the names(s) and contact phone(s) of **alcohol manager(s)** on-duty and in the licensed area:
Caroll Unruh (503)480-5485

14. List the primary activities within the licensed area:
Country Music Festival

15. Do you estimate that 30 percent or more of the people attending the event will be between 15 and 20 years of age? ☐ Yes ☒ No

16. Do you estimate the number of patrons in the licensed area will be about the same during the entire time that alcohol is sold or consumed? ☐ Yes ☒ No If no, what are the estimated times that a greater number of patrons will attend? 5:00 pm to Closing (approximately 12:00 am)

17. At any one time, what is the average range of the number of staff (such as managers, servers, security, alcohol monitors, ID checkers, etc.) on-duty, at the event, and whose job includes monitoring patron behavior?
See attached Staff plan

18. Will **Alcohol Monitors** work in the licensed area? *(An Alcohol Monitor is a person, in addition to alcohol servers and security staff, who monitors the sale, service, and consumption of alcoholic beverages to help ensure that unlawful sales, service, and consumption of alcoholic beverages do not occur.)* ☒ Yes ☐ No

19. If yes to #18, list the minimum number of **Alcohol Monitors** you estimate will work during the estimated times whan a greater number of patrons will attend the estimated times when a regular number of patrons will attend:

    6 Minimum number during estmated times of greater patron atttendence

    13 Minimum number during estimated times of regular patron attendence

20. If yes to #18, describe how **Alcohol Monitors** will be readily identifiable as such to patrons:
See addendum

21. Will all Alcohol Monitors be required to have a service permit? ☐ Yes ☒ No

22. If no to #21, those **Alcohol Monitors** without a service permit must be uncompensated volunteers who are directly supervised in the licensed area by an individual who has successfully completed and Alcohol Server Education course within the last five years.

    List the name(s) of the supervisor(s) and either their service permit number(s) or server education completion date(s):
    OBS will be providing the alcohol monitors for this event. A list of supervising persons will be available on site.

23. Is the applicant a nonprofit or charitable organization with a Registry Number issued by the Oregon Secretaty of State's office? ☒ Yes ☐ No If yes, list the Oregon Registry Number: 207333-82

24a. If yes to #23, will the applicant use servers who don't hold a service permit? ☒ Yes ☐ No

24b. If yes to #24a, describe the plan to train these people in at least the following: recognizing minors; properly checking identification; and how to recognize and respond appropriately to visibly intoxicated persons:
A training class on Thursday night, August 3, 2017 at 6 PM will be provided by OBS for all volunteers. "What Every Volunteer Bartender Needs to Know" pamphlets will be available and all volunteers will have read and signed this document. The OLCC is invited to assist with this training.

25. Will security or ID checkers be required to have a service permit? ☐ Yes ☒ No If no, describe the plan to train these people in at least the following: recognizing minors; properly checking identification; and how to recognize and respond appropriately to visibly intoxicated persons:
The volunteer training class will instruct all volunteers on the correct and efficient methods for checking ID. Local law enforcement is available at all times as well as OBS staff to assist the volunteers.

26. Will servers, security, or ID checkers wear clothing or other designation which readily identifies them as such to patrons? ☒ Yes ☐ No If yes, please describe:
OBS staff will be wearing polo shirts with "Event Staff Alcohol Monitors" on the breast and/or yellow jackets. See addendum

27. Describe the alcoholic beverages for consumption in the licensed area:

	Size of Container	Maximum Amount of Alcohol in the Container
Malt Beverages	16oz	16 oz
Wine	7oz	6 oz
Cider	16oz	16 oz
Distilled Spirits	12oz	1 oz

28. Describe how containers used to serve alcoholic beverages for consumption in the licensed area will be of a different color and type when compared to containers used to serve nonalcoholic beverages:
See addendum

29. What is the maximum number of containers of alcoholic beverages meant for consumption in the licensed area that a patron may possess at any one time? two of wine/beer/malt/distilled beverages

30. Describe the level of lighting the licensed area will have to ensure the proper monitoring of patrons:

☒ A level of lighting sufficient to read common newspaper print; or

☐ A level of lighting that will be (please describe):
See attached addendum.

31. If other methods for adequately managing the licensed area will be used, describe them here (or submit a separate written, dated, and signed plan):
See attached addendum.

32. Applicant Name: Carlene Erickson

33. Applicant Signature: Carlene Erickson 34. Date: May 2, 2018

Addendum to Plan to Manage Special Events
Oregon Jamboree

#21 – All OBS Staff will have service permits. Volunteer alcohol monitors provided by the Oregon Jamboree will not have service permits but will have "*What Every Volunteer Bartender Needs to Know*" pamphlets. Volunteer bartenders and alcohol monitors will attend a training class on Thursday night prior to the concert. Server education dates are not known but service permits are current.

#23 – The distilled spirits are Crown Royal products and we will limit drinks to the maximum allowed. Mixed drinks only will be served; no shots, no doubles. Crown Royal will be served in Beer Garden #3, #4, the Cabanas and the Sponsor Hospitality area only. We will have CELTIC PROTECTIVE SERVICES security located at each entrance and Oregon Beverage will be providing bar tenders for all bars serving Crown Royal products.

#28 – The Oregon Jamboree is in charge of security. Volunteers from the Oregon Jamboree team will be roaming beer gardens as well as providing observation at the bar and at all entry and exit points. Beer Garden bartenders, alcohol monitors and security staff are listed in the attached schedules; estimated hours and staff levels are also listed. CELTIC PROTECTIVE SERVICES Security will provide all eviction services to all the licensed areas. They will be wearing shirts that say CELTIC PROTECTIVE SERVICES Security on the front and back of their shirts. Bartenders and ID checkers are also Oregon Jamboree volunteers and will be wearing a specific color of (orange) Oregon Jamboree event shirts. Oregon Beverage Service (OBS) staff will be in identifiable shirts. A coordinated alcohol monitor shirt color for all volunteers working the Beer Gardens will be required; volunteer shirts may not be worn after the volunteer shift is complete.

#30 – Adequate lighting is only an issue from 8:45 PM each evening until closing time which is 12:00 AM or earlier. "Earlier" refers to the fact that not all final performances will go until 12:00 AM, in which case the Oregon Jamboree will close earlier. Additional lighting will be added to the porta-potty area. An improved lighting system will be placed along a 4' barricade fence to discourage patrons from removing the light bulbs. Additional lighting will be added to the trees within Beer Garden 1 and 4 to help light this area.

#31 – (1) All patrons coming into the licensed area and appearing 30 years of age or younger will be checked for proper identification; patrons reentering will be re-checked for proper identification. This applies to Beer Gardens #1, #2, #3, and #4. The Sponsor Hospitality and reception areas, which allow all ages, will have the bartender checking every patron who appears 30 years of age or younger prior to serving. Alcohol monitors will continually check to make sure all consumers in the sponsor Hospitality and reception areas are over 21.

(2) Radio communication will be available between bartenders and alcohol monitors. Cell phones are available to contact law enforcement. Additional communication coordination between the event staff, alcohol monitors and security is also available through radio contact under the direction of the Sweet Home Police Chief.

(3) Last call will not be given and beer will stop being served without public announcement. Alcohol sales will end shortly after the beginning of the last act so as to allow a 20 – 40 minute dry up time for alcohol in all licensed areas.

(4) A black permanent marker will be used to mark an "X" on the back of a patron's hands who have been "cut off". This "X" will help alcohol monitors and bartenders prevent consumption of alcohol by a visibly intoxicated person.

(5) Patrons will be allowed two (2) beer, wine, malt alternative and distilled spirit drinks per person, per trip. Patrons will not be allowed to stack drinks for future consumption.

(6) A designated driver program is in effect in each Beer Garden. Their responsibility will be to assist with ID checks, patron eviction and alcohol monitors. We will have CELTIC PROTECTIVE SERVICES acting as a bouncer team to do all hands-on and confrontation with patrons.

Addendum #2 to Plan to Manage Special Events

The Oregon Jamboree wishes to create a unique experience located in Sankey Park, where patrons will be able to enjoy concerts on the second stage as well as participate in a number of age appropriate activities for the entire family. Unique to this venue would be a walk-around area providing the opportunity for parents to purchase an adult beverage, food and drinks for the children, and enjoy the atmosphere with their family without actually being confined to a beer garden.

The second stage is located in Sankey Park where tall fir trees provide a thoroughly shaded area that's the perfect place for some relief from the heat and a fun environment with a family atmosphere. Directly to the east of the stage is a beer serving area which meets all criteria for the other beer gardens and features craft beer as well as adult games such as life-sized jenga and corn-hole. To the east of the beer garden, separated by a six foot screened fence, is the kid's zone with a respite/nursing tent for infants and mothers, playground equipment and some bouncy toys for the children. The Sankey Park common area will offer at least two food vendors, one specialty non-alcoholic drink vendor and family friendly activities such as a stunt jump. Patrons moving from the main festival grounds to Sankey Park via the Weddle Covered Bridge will pass through a security check-point to insure no alcohol will enter or leave the area.

Alcohol sales will begin at approximately 11:00 AM in Beer Garden #4 and end without public announcement approximately 30 minutes before the final act on the main stage begins, to allow a 20-40 minute dry up time. Adequate lighting is only an issue from 7:00 PM each evening until closing time which is 9:00 PM or earlier. "Earlier" refers to the fact that not all final performances will go until that late, in which case the Sankey Park area will close earlier. Tower lights will be placed throughout the patron viewing area to ensure adequate light. At the close of the final act on the Sankey Park stage, the open container area will be reduced to the natural fence line which is to the west of the Kid Zone and the entire park will be swept of patrons and closed down for the night.

Beer garden #3 and the Artisan Alley will remain an open carry area until the end of the final act on the main stage. In Beer Garden #3 last call will not be given and beer will stop being served without public announcement. Alcohol sales will end with adequate time left in the last act so as to allow a 20 – 40 minute dry up time for alcohol.

Chain of Command:

Beer Garden Supervisor: Heather Search, contact on radio channel 9
Oregon Beverage: Carroll Unruh (503) 480-5485 or contact on radio channel 9
Interior Site Director: Rob Poirier, contact on radio channel 10
Festival director: Robert Shamek (541) 730-0194 or contact on radio channel 1

For immediate security issues contact Chief of Police on radio channel 2
Celtic Security can be reached on radio channel 3

A security booth will be located right inside the vendor gate entrance. This will serve as an ejection location for both the Police Command and OLCC.

There will be one radio available for the OLCC. This can be picked up each morning and returned each night to the Communications Room just outside of the vendor gate.

Oregon Jamboree Alcohol Policy

Purpose:
To Help Ensure A Safe And Quality Festival Experience To All Patrons

Policy:
Alcohol is available for sale within designated areas of the concert grounds. No outside alcohol will be allowed within the concert grounds. To purchase alcoholic beverages a patron must present one of the items indicating that the patron is at least 21 years of age or older.

The following items will be accepted as valid proof of identification:

1. Valid Driver's License
2. Valid United States Passport Identification Booklet
3. Valid United States Passport Card
4. Valid Military Identification Card
5. State Issued Identification Card

The following items will NOT be accepted as valid proof of identification:

1. Duplicate forms of identification
2. Expired forms of identification
3. Photo copies of any form of identification
4. Non-Photo forms of any identification
5. Damaged, mutilated or altered forms of identification

Any patron who presents false identification or who passes alcohol to a minor or a person without valid proof of identification is subject to arrest and will be evicted from the event for the duration of the festival.

Any patron from within the designated alcohol area that passes alcohol to a patron outside of the designated alcohol area is subject to eviction for the duration of the festival.

Patrons will be allowed to purchase two beer or wine alcoholic beverages, per trip, to the sales counter. Patrons will not be allowed to stack beer or wine for future consumption. Patrons will be allowed to purchase one drink of distilled spirits per person, per trip to the sales counter.

Visibly Intoxicated Persons (VIP) in the designated alcohol areas will not be served alcohol. Visibly Intoxicated Persons (VIP) may remain in the designated alcohol areas only as long as they are cooperative and not causing problems. Visibly Intoxicated Persons (VIP) who have been cut off by Oregon Jamboree staff and refuse to stop drinking alcohol will be evicted from the concert grounds.

Visibly Intoxicated Persons (VIP) who appear to be at the point of impairment will not be allowed to enter the concert grounds.

Visibly Intoxicated Persons (VIP) who are found within the concert grounds will be allowed to remain as long as they are not disruptive to other concert goers.

Anyone who brings outside alcoholic beverages into the concert grounds or attempts to smuggle alcoholic beverages into the concert grounds will be evicted for the duration of the festival.

The Oregon Jamboree reserves the right to discontinue the sale of alcohol at any time. All policies are in place for our own protection as well as the protection of our patrons.

Oregon Jamboree Code of Conduct Policy

Purpose: The Oregon Jamboree strives to provide guests with a safe, comfortable and enjoyable atmosphere; to ensure that a pleasant experience is not disrupted or ruined by a few unruly guests,

Policy: The following behaviors are examples of acts that shall be grounds for denial of ticket sales, eviction from or non-admittance to the Oregon Jamboree festival grounds. Any eviction from or non-admittance to the Oregon Jamboree festival grounds will result in loss of tickets without the opportunity for a refund.

Behavior examples include, but are not limited to the following:

1. Any activity likely to endanger oneself or another person (fighting or violent behavior)
2. Unsafe, uncontrolled and/or rowdy behavior causing potential safety issues or disturbing the enjoyment of others.
3. Any activity or item that could disrupt or interfere with performances or other activities including, but not limited to air horns or laser pointers.
4. Bringing into the festival grounds any item that could be perceived as dangerous; including but not limited to weapons, drugs or fireworks.
5. Smoking or carrying a lighted cigar, pipe, cigarette or e-cigarette anywhere on the concert grounds, except in DESIGNATED SMOKING AREAS.
6. Visibly Intoxicated Persons who are being disruptive.
7. Smuggling or attempting to smuggle alcoholic beverages into the concert grounds.
8. Consuming or carrying dispensed alcohol into areas other than those designated for consumption.
9. The selling of, supplying to, possession of or consumption of alcoholic beverages by a minor.
10. Bringing into the concert grounds any type of beverage or food other than those necessary for medical reasons or infant-care.
11. Vulgar or lewd behavior.
12. Deliberately impeding pedestrian flow and/or blocking aisles and fire emergency exits.
13. Continual failure to take ones' seat as ticketed and/or moving to seats not assigned without permission from a crowd management or security volunteer.
14. Taking videos without proper authorization.
15. Intentional violation of limited or restricted access areas such as; stages, towers or backstage.
16. Entering the festival grounds without a ticket or appropriate credentials.
17. Ticket scalping.
18. Illegal vendors.
19. Intentional property damage or stealing.

The Oregon Jamboree Code of Conduct Policy is in place for our own protection as well as the protection of our patrons.

OREGON JAMBOREE music festival

2018 Staff Schedule
August 3 – 5, 2018

Personnel	B G #1	BG #2	B G #3	B G #4	Private Cabanas	Sponsor Hospitality
Bartenders						
OBS	2	1	1	1		1
Volunteer	4 -12	2- 6	2 - 4	2 – 4	1	2
Alcohol Monitors						
OBS	2 – 6	1- 2	1 - 2	1 - 2	1	0
Volunteer	4 – 10	2 - 6	2 - 4	2 - 4	2	2
Paid Security	3 - 10	1– 4	1 - 3	1 - 3	0	0
Supervisors						
OBS	1	1			0	0
Volunteer	2	1	1	1		1
Attendance						
Slow Hours	400	100	50	50	49	10
Peak Hours	800	400	200	200	49	100

Lesser numbers reflect workers needed during day time shifts between opening and 4:00 PM. Staff increase begins at 4:00 PM. Weather and attendance may cause for some reduction in the estimate.

THE OREGON JAMBOREE

REQUESTS THAT YOU

PLEASE

DRINK

RESPONSIBLY!

ALWAYS HAVE A DD OR USE OUR

FREE SHUTTLE SERVICE

AT THE FRONT ENTRANCE

The message below appears on our website at www.oregonjamboree.com

DON'T DRINK AND DRIVE

Drinking responsibly...

The Oregon Jamboree requests that all patrons drink responsibly. We have strived to keep this a family event yet want all to have fun. Alcohol should be consumed in moderation, taking into account that too much can cause problems for all people in attendance. As a festival, we want to look out for all patrons including those who drink and those who don't. We have a couple suggestions for making it home safely. We ask that you find the best way for you to get home safely. Please remember, DON'T DRINK AND DRIVE!

Designated Driver

If you come with a group of friends and plan to drink, assign a designated driver. There are many beverage options throughout the event AND serviced into the beer gardens that ensure the designated driver has a good time. Take note that designated drivers DO NOT DRINK any alcohol. All designated drivers must have a valid driver's license.

Shuttle Service

As part of a service to you, the Oregon Jamboree has shuttle services running throughout the day. These shuttles cater from the festival site to all campgrounds except Campground 7 at Oak Heights Elementary. We ask that you use our FREE shuttle service if you drink during the festival.

OREGON LIQUOR CONTROL COMMISSION

APPLICATION FOR TEMPORARY USE OF AN ANNUAL LICENSE (TUAL)

FULL ON-PREMISES SALES LICENSE TEMPORARY USE APPLICATION

Allows an Oregon Full On-Premises Sales Licensee to sell wine, cider, malt beverages, and distilled spirits for drinking on the special event licensed premises. There is no license fee.

LIMITED ON-PREMISES SALES LICENSE TEMPORARY USE APPLICATION

Allows an Oregon Limited On-Premises Sales Licensee to sell wine, cider, and malt beverages for drinking on the special event licensed premises. There is no license fee.

- **Process Time:** OLCC needs your completed application in sufficient time to approve it. Sufficient time is typically 2 to 4 weeks before the first event date listed in #11 below (some events may need extra processing time). OLCC may refuse to process your application if it is not submitted in sufficient time for the OLCC to investigate it.
- **License Days:** In #11 below, you may apply for a maximum of seven license days per application form. A license day is from 7:00 am to 2:30 am on the succeeding calendar day.

1. My annual license is: ☒ FULL ON-PREMISE ☐ LIMITED ON-PREMISES
2. Licensee Name: Unruh Management and Consulting LLC - DBA Oregon Beverage Services
3. Email: Heather@oregonbeverage.com
4. Trade Name of Business: Oregon Beverage Services
5. Fax: 503-362-1882
6. Address of Annual Business: 500 Wilco Hwy
7. City: Mt. Angel
8. Contact Person: Carroll Unruh
9. Contact Phone: 503.362.3391
10. Event Name: Oregon Jamboree Kick Off Party
11. Date(s) of event (no more than seven days): August 2nd, 2018
12. Start/end hours of alcohol service: 3:00 ☐ am ☒ pm to 11:00 ☐ am ☒ pm
13. Address of Special Event: 890 18th Ave (in front of B&GC and Highschool) | City: Sweet Home | Zip: 97286
14. Is the event outdoors? ☒ Yes ☐ No

14a. If no, in what area(s) of the building is the event located?

see attached map (being held in the street)

14b. If yes, submit a drawing showing the licensed area and how the boundaries of the licensed area will be identified.

15. List the primary activities within the licensed area:

Entertainment/Vendors/Dining

16. Will minors and alcohol be allowed together in the same area? ☒ Yes ☐ No
17. What is the expected attendance per day in the licensed area (where alcohol will be sold or consumed)? 450

PLAN TO MANAGE THE SPECIAL EVENT LICENSED AREA

If your answer to #17 is 501 or more, **in addition** to your answers to questions 18, 19, and 20, you will need to complete the OLCC's Plan to Manage Special Events form, unless the OLCC exempts you from this requirement.

18. Describe your plan to prevent problems and violations:

ID checked for anyone appearing under the age of 30. Wrist band or hand stamp will be issued to individuals appearing over the age of 30 with their ID. Two drinks per person/ per trip. No VIP"s will be served. Alcohol monitor will be roaming the entire premises and security will be at the points of exit/entry making sure alcohol does not leave or enter the licensed premises.

19. Describe your plan to prevent minors from gaining access to alcoholic beverages and from gaining access to any portion of the licensed premises prohibited to minors:
ID's will be checked for anyone appearing under the age of 30. Wrist band or hand stamp will be issued for those over the age of 21 with ID.

20. Describe your plan to manage alcohol consumption by adults:
Will not serve minors or VIP's. Two drinks/per person/ per trip strictly enforced. Two drinks per person, per sale.

21. List name(s) and service permit number(s) of **alcohol manager(s)** on-duty and in the licensed area:
Carroll Unruh- 036S6B

LIQUOR LIABILITY INSURANCE

If the licensed area is open to the public and **expected attendance is 301 or more** per day in the licensed area, the event must have at least $300,000 of liquor liability insurance coverage (ORS 471.168).

22. Insurance Company:Gales Creek Insurance

23. Policy #:CLA2010800-0	24. Expiration Date:02/01/2019

MARIJUANA

25. Will marijuana (such as use, consumption, samples, give-away, sale, etc.) be allowed on the special event licensed premises or be part of the event or an adjacent event? ☐ Yes ☒ No

FOOD SERVICE: See the attached sheet for an explanation of this requirement).

26. If you will not provide distilled spirits, name at least **two** different substantial food items that you will provide:

1.	2.

27. If you are a Full On-Premises Sales Licensee and will provide distilled spirits, name at least five different substantial food items that you will provide:

1.Hot Dogs	2.Burritos
3.Burgers	4.Tacos
5.Chicken sandwiches	

GOVERNMENT RECOMMENDATION

You must obtain a recommendation from the local city or county named in #26 before submitting this application to the OLCC.

26. Name the city if the event address is within a city's limits, or the county if the event address is outside the city's limits: Sweet Home

SIGNATURE

I affirm that I am authorized to sign this application on behalf of the applicant.

27. Name (please print): Carroll Unruh or Heather Irwin

28. Signature:	29. Date:06/25/2018

CITY OR COUNTY USE ONLY

The city/county named in #26 above recommends:

☐ Grant ☐ Acknowledge ☐ Deny (attach written explanation of deny recommendation)

City/County Signature:	Date:

FORM TO OLCC

This license is valid only when signed by an OLCC representative. Submit this form to the OLCC office regulating the county in which your special event will happen.

License is: ☐ Approved ☐ Denied

OLCC Signature: Date:

FOOD REQUIREMENTS FOR AN ANNUAL LICENSE (TUAL)

WHAT AMOUNT OF FOOD MUST I PROVIDE?

- **TWO**: A Full On-Premises Sales Licensee **not** providing distilled spirits at the event and a Limited On-Premises Sales Licensee must provide at all times and in all areas where alcohol service is available at least two different substantial food items.
- **FIVE**: A Full On-Premises Sales Licensee providing distilled spirits at the event must provide at all times and in all areas where alcohol service is available at least five different substantial food items.

WHAT IS A SUBSTANTIAL FOOD ITEM?

This is a food item that is typically served as a main course or entrée. Some examples are fish, steak, chicken, pasta, pizza, and sandwiches. Side dishes, appetizer items, dessert items, and snack items such as popcorn, peanuts, chips and crackers do not qualify as substantial food items.

WHAT DOES "DIFFERENT" MEAN?

"Different" means substantial food items that the OLCC determines differ in their primary ingredients or method of preparation. For example, a turkey sandwich differs from a salami sandwich, a beef burger differs from a turkey burger, and fried chicken differs from baked chicken. Different sizes of the same item are not considered different.

IS THERE AN EXCEPTION TO PROVIDING THE TWO DIFFERENT SUBSTANTIAL FOOD ITEMS?

The OLCC must determine that the clearly dominant emphasis is food service at all times in the area where alcohol service is available in order for you to provide only one substantial food item if you are **not** providing distilled spirits or one to four different substantial food items if you are a Full On-Premises Sales Licensee providing distilled spirits. The OLCC will work with you to make this determination prior to approving your application.

WHAT DOES IT MEAN TO PROVIDE FOOD SERVICE "AT ALL TIMES AND IN ALL AREAS WHERE ALCOHOL SERVICE IS AVAILABLE"?

Patrons must be able to obtain food service inside the special event licensed area. You may use either of the following two methods to provide food service:

- Within all areas where alcohol service is available, have the minimum required food items available for patrons at all times; or
- Within all areas where alcohol service is available, have a menu of the minimum required food items (plus any other items you may choose to include) available for patrons at all times and be able to provide the food items in the area if a patron chooses to order food. The food items could be kept at a location other than the area where the alcohol is served; however, you must be able to provide the food items to the patron in the area where alcohol service is available.

IS PROVIDING TASTINGS OF ALCOHOL CONSIDERED PROVIDING ALCOHOL SERVICE?

Yes, providing tastings of alcohol is considered providing alcohol service; therefore, the food requirements must be met.

MAY I USE FOOD PROVIDED BY A CONTRACTOR OR CONTRACTORS TO MEET THE FOOD REQUIREMENT?

Yes, the food service may be provided by someone other than you; however, even if food service is provided by a contractor, you are fully responsible for compliance with the food requirements. You may sell or serve alcohol only when food service that meets the requirement is provided to patrons at all times and in all areas where alcohol service is available.

WHO MAY THE CONTRACT FOR THE FOOD SERVICE BE WITH?

The contract may be between:

- You (the OLCC licensee) and the food service contractor; or
- The organizer of the event and the food service contractor.

DOES THE FOOD SERVICE CONTRACT NEED TO BE IN WRITING?

No, the food service contract does not need to be in writing; however, you may sell or serve alcohol only when food service that meets the requirement is provided to patrons at all times and in all areas where alcohol service is available.

Memorandum

TO: City Council
FROM: Ray Towry, City Manager
DATE: For July 24, 2018
SUBJECT: Jamboree Costs

Below is a recount of costs and ordinances or codes that have been waived for the Jamboree.

WATER
Staff did not meter the water use for 2017 but will for 2018. These numbers are representative of 2016 use.

Water use totaled 3,900 cubic feet equaling between $203.19 and $253.50 depending on which rate you apply; Bulk, Commercial or Residential.
Account set up deposit was waived, value $100.

PUBLIC WORKS
Public works total costs documented in relationship to work completed for the Jamboree include equipment use and labor.

2017: $1,112.26 plus $2,391.45 damage to barricades and landscaping
2016: $ 849.25
2015: $1,356.88

APPLICABLE CODE REQUESTS

- Road Closure: SHMC 10.04.030; Resolution required. This section does not actually say that the Council can close a road. It is loosely implied. Past practice, and example of when used is the Sweetheart Run. The resolution I used for the SH Run cited this section in a resolution.
- Tents: Discussed in SHMC 10.28.020. They are globbed under the RV rules. More applicable to the Jamboree are the sleeping restrictions in parks listed below.
- Transient Merchants: SHMC 5.12.010: Requires transient merchant registration and also allows the City Council to waive this requirement for special events.
- Amusement Devices?: SHMC 5.04.010 provides option for blanket license event permit for $50 per day for concerts and other events.
- Park Requirements:
    - Authorization to modify rules for special events: SHMC 12.12.010
    - Vehicles: SHMC 12.12.050: Prohibits vehicles off roads and parking areas
    - Camping: SHMC 12.12.070: “No person shall lie, sleep, urinate in, defecate in, or otherwise damage or deface any area in a park.”
    - Alcohol: SHMC 12.12.100: Allowed by permit.
    - Sound: SHMC 12.12.140: Permit can be authorized for amplification.
    - Hours: SHMC 12.12.150: Hours are dawn to dusk. Can be modified by permit.

RESOLUTION NO. 13 FOR 2018

A RESOLUTION CONCERNING THE OREGON JAMBOREE, PARK CLOSURES, STREET CLOSURES AND RESTRICTIONS.

WHEREAS, on August 2nd, August 3rd, August 4th, and August 5th, 2018, the Oregon Jamboree will hold a concert requiring street and park closures; and

WHEREAS, traffic patterns and parking issues need to be addressed to accommodate the events; and

WHEREAS, Sweet Home Municipal Code 10.04.030 provides that the City Council may, by resolution, establish or alter traffic and parking control;

WHEREAS, Sweet Home Municipal Code 12.12.010 and Sweet Home Charter Section 2 provide that the City Manager can limit park use.

NOW, THEREFORE, the City of Sweet Home does resolve as follows:

Traffic and park regulations shall be kept in effect as follows:

A. From 7:00 a.m. on Friday, August 3rd to 9 p.m. on Sunday, August 5th, 2018 - 18th Avenue from Long Street to Grape Street and 14th Ave from Kalmia Street to Hawthorne Street shall be closed and blocked off to through vehicular traffic at the direction of the Chief of Police or his designated representative; provided, residents living within the blocked off area, with no alternate routes, will be allowed ingress and egress.

B. From 7: a.m. on Friday, August 3rd to 10:00 p.m. on Sunday, August 5th, 2018, 18th Avenue/Ames Creek Road from Grape Street to Mountain View Road shall be closed and blocked off to through vehicular traffic at the direction of the Chief of Police or his designated representative and shall be designated as No Parking.

C. From 11 a.m. on Thursday, August 2nd to 10:00 p.m. on Sunday, August 5th, 2018, the portion of 18th Avenue immediately adjacent to the concert grounds and serving no residential properties, shall be completely blocked off to all vehicular traffic at the direction of the Chief of Police:

D. From 11:00 a.m. on Thursday, August 2nd to 10:00 p.m. on Sunday, August 5th, 2018, all areas of 18th Avenue between Long Street and the concert grounds shall be designated and signed as Disabled Parking Only and the Chief of Police is directed to enforce the provisions of ORS 811.615:

E. From 6:00 a.m. on Monday, July 30th until 10:00 p.m. on Tuesday, August 7th, 2018, Sankey Park shall be closed to all persons except those authorized by the Oregon Jamboree or the Parks Director and signage and fencing shall be in place to effect the safe closure;

F. From 6:00 a.m. on Friday, August 3rd until 10:00 p.m. on Sunday August 5th, 2018, waive SHMC 12.12.100 for Sankey Park only. SHMC 12.12.100 limits the sale, consumption, or possession of alcoholic beverages in.

G. From 2:00 p.m. on Thursday August 2nd until 11:00 a.m. on Monday August 6th, 2018 Northside Park shall be available and utilized as a camp site for the Oregon Jamboree event.

H. From 4:00 p.m. on Thursday, August 2nd until 10:00 p.m. on Thursday, August 2nd, 2018, waive SHMC 9.20.030 Consumption or Possession of Alcoholic Beverages in Public Places for the area of 18th Avenue immediately adjacent to the concert grounds.

I. Appropriate and authorize fencing, signs, barricades or other markings which shall be installed by the Oregon Jamboree, at their own cost, to carry out the provisions of this resolution, and they shall become effective upon their installation pursuant to this resolution.

PASSED by the Council and approved by the Mayor this 24th day of July, 2018.

_____
Mayor

ATTEST:

_____
City Manager - Ex Officio City Recorder

SWEET HOME CITY COUNCIL
COMMUNITY HEALTH COMMITTEE
MEETING MINUTES

June 18, 2018

The meeting was called to order at 6:03 p.m. in the City Hall Annex.

Present: Councilor Gourley, Jim Gourley, Dick Knowles, Henry Wolthuis, Mayor Mahler, Councilor Trask,

Staff Present: Julie Fisher, recording secretary

Approval of Minutes May 21, 2018: (J. Gourley/Mahler) 6 Ayes, 0 Opposed,

Committee Reports:
Health Fair Committee: Dick Knowles reported applications to vendors were mailed. Chair Gourley reported 6 tables will be purchased for the event with funds earned at the Zombie Run.

Western University/ City Project: Dick Knowles reported summer break has slowed committee progress.

Hero Banner Project: Jim Gourley stated 41 banners are on display. 20 more brackets are needed, and they may approach the City asking for a donation. The price of the banners will increase to cover the costs.

Homelessness: Henry Wolthuis discussed public showers. The subcommittee is meeting every Tuesday at 10am. Mayor Mahler gave a history of why the Community Health Committee was formed and the goals of the committee for increased health services including: physical therapy, memory care, urgent care and senior living. Mayor Mahler thought projects have steered from the original committee's intent and asked that resources be used towards those goals and health needs of the community. Dick Knowles stated that the homelessness subcommittee would not looking for approval from Council "just not disapproval". Chair Gourley suggested renaming the Homelessness Committee to Resource Committee. Chair Gourley added that the public showers could include an RV sewer dump, water fill station, restroom and showers. Mayor Mahler cautioned the subcommittee from volunteering City resources, City funding and City staff.

Good of the Order: None

Meeting adjourned.
With no further business the meeting adjourned at 7:15 pm

The foregoing is a true copy of the proceedings of the City Council Community Health Committee Meeting on June 18, 2018.

_____ _____

Chair – Councilor Gourley Date:

City of Sweet Home
1140 12th Avenue
Sweet Home, OR 97386
541-367-5128
Fax 541-367-5113
www.ci.sweet-home.or.us

Finance Department

To: City Council
Ray Towry, City Manager

From: Brandon Neish, Finance Director

Subject: Finance Department Monthly Report – June 2018

The Finance Department is responsible for the for the fiscal management of the City of Sweet Home. This includes accounts payable, payroll, general accounting, preparing the annual budget and the city's annual audit. This department also administers the city's assessment docket, coordinates employee's benefits and maintains financial records relating to grants and contracts. The following information represents the department's activities during the month of ***June 2018***.

Accounts Payable:
The Finance Department maintains a weekly schedule for AP disbursements when possible. City departments submit documentation through Springbrook to request payment to vendors. Once the Finance Department has a completed purchase order and invoice/receipt, a check is printed and mailed within seven (7) business days.

For the month of June 2018, 178 checks were printed totaling $535,387.55. A list of the checks is provided for your review. Below is a list of the checks that were equal to or exceeded $5,000 and their purpose (if not clear on list).

Check No.	Vendor	Description	Amount
87318	Ferguson Waterworks	Purchased water meters	$22,787.82
87339	MurraySmith	Services related to engineering of Wastewater Treatment Plant	$6,486.09
87377	Grove, Mueller & Swank, P.C.	Fees for initial audit work	$10,000.00
87400	Jet Chevrolet	Purchased utility trucks for Public Works using budgeted funds	$80,244.04
87401	TrailersPlus Redmond	Purchased 7x14 dump trailer for Public Works using budgeted funds	$7,242.00
87438	Oregon Cascades West Council of Governments	Dues for 2018-2019	$10,383.27

87442	Petrocard	Fuel for city vehicles	$5,464.99
	EBS Trust	Health and other benefit premiums	$73,076.26

Passports:
Since 2001, the city has been accepting passport applications for the United States Department of State. Travelers can call, stop by city hall or visit the city's website for information on application requirements.

For the month of June 2018, the city processed 37 passports and took 28 passport pictures.

Lien Searches:

The city has various liens that can be applied to properties in Sweet Home. The city can apply a lien for past due utility balances or a property owner can place a lien on their property for improvement assessments per ORS. An internet database maintains a list of these liens and is searchable by title companies for paying off outstanding balances during a sale. Each lien search generates $25.00 for the city.

For the month of June 2018, 69 lien searches were completed.

Utility Billing:
In July 2017, utility billing became the responsibility of the Finance Department. Utility billing is responsible for the timely reading of water meters in the city and distribution of bills to residents and businesses. The revenue generated from the utility bills covers the costs associated with operating and maintaining the Water Treatment Plant and the Wastewater Treatment Plant as well as the maintenance of the city's distribution and collection systems.

For the month of June 2018, the city processed 209 service requests and saw 26 new customers open accounts in Sweet Home. In total, 61 accounts were opened and 62 were closed. The city processed 3,291 utility billing statements and 1,100 past due notices. 50 accounts were turned off for non-payment.

Bank Reconciliation

Checks by Date

User: bneish
Printed: 07/10/2018 - 6:35PM
Cleared and Not Cleared Checks

Check No	Check Date	Name	Comment	Module	Clear Date	Amount
87300	6/12/2018	ACCELA, INC. #774375		AP		1,587.00
87301	6/12/2018	AIA SERVICES, LLC		AP		285.37
87302	6/12/2018	ALBANY RENTAL, INC.		AP		900.00
87303	6/12/2018	ALBERTSONS / SAFEWAY		AP		2.00
87304	6/12/2018	ALSCO		AP		308.22
87305	6/12/2018	ARAMARK UNIFORM SERVICES		AP		597.86
87306	6/12/2018	DANIEL BARKER		AP		100.00
87307	6/12/2018	BAUMAN FARMS, LLC		AP		3,392.00
87308	6/12/2018	PATRICIA BROWN		AP		24.70
87309	6/12/2018	BULLARD LAW		AP		1,984.50
87310	6/12/2018	CASELLE, INC.		AP		196.67
87311	6/12/2018	COMCAST		AP		166.44
87312	6/12/2018	COMCAST BUSINESS		AP		1,476.52
87313	6/12/2018	MAX DALBY		AP		68.07
87314	6/12/2018	DEMCO		AP		49.71
87315	6/12/2018	CASTERLINE EDWARD AND LILLI		AP		75.00
87316	6/12/2018	EUGENE & SPRINGFIELD LOCK &		AP		310.00
87317	6/12/2018	FERGUSON WATERWORKS #3011 A		AP		3,346.97
87318	6/12/2018	FERGUSON WATERWORKS #3011 -		AP		22,787.82
87319	6/12/2018	ALI GARDNER		AP		40.66
87320	6/12/2018	KATHLEEN HALL		AP		70.23
87321	6/12/2018	HOME DEPOT CREDIT SERVICES		AP		114.36
87322	6/12/2018	GERALD HOWARD		AP		20.00
87323	6/12/2018	HOWERTONS CUSTOM CREATION		AP		2,560.58
87324	6/12/2018	HOY'S TRUE VALUE		AP		1,007.92
87325	6/12/2018	FRED HOZEN		AP		102.29
87326	6/12/2018	MICHAEL HUFFORD		AP		100.00
87327	6/12/2018	JOSHUA JAMES JR		AP		40.68
87328	6/12/2018	JIMCO ELEC. CONTRACTING, INC.		AP		500.00
87329	6/12/2018	MARY JONES		AP		56.72
87330	6/12/2018	KEIL ENTERPRISES, OPERATION R		AP		195.00
87331	6/12/2018	LES SCHWAB WAREHOUSE CENTE		AP		210.36
87332	6/12/2018	LIBERTY ROCK PRODUCTS, INC.		AP		139.16
87333	6/12/2018	LINN BENTON TRACTOR CO.		AP		1,253.81
87334	6/12/2018	CODY MABE		AP		47.83
87335	6/12/2018	KATINA MAY		AP		100.00
87336	6/12/2018	LINDA MCKAY		AP		33.84
87337	6/12/2018	METEREADERS, LLC		AP		1,976.31
87338	6/12/2018	MOONLIGHT BPO, INC.		AP		2,127.44
87339	6/12/2018	MURRAYSMITH		AP		6,486.09
87340	6/12/2018	NATIONAL BUSINESS SOLUTIONS		AP		47.98
87341	6/12/2018	NET ASSETS		AP		363.00
87342	6/12/2018	NEW ERA		AP		524.00
87343	6/12/2018	NORTHWEST NATURAL		AP		533.17
87344	6/12/2018	O & M POINT S TIRE & AUTO SERV		AP		350.00
87345	6/12/2018	OFFICE DEPOT		AP		149.27

Check No	Check Date	Name	Comment	Module	Clear Date	Amount
87346	6/12/2018	O'REILLY AUTOMOTIVE, INC.		AP		68.62
87347	6/12/2018	PACIFIC NORTHWEST INVESTMEN		AP		18.25
87348	6/12/2018	PACIFIC POWER		AP		20,640.16
87349	6/12/2018	PEORIA GARDENS, INC.		AP		636.45
87350	6/12/2018	PETTY CASH - LIBRARY		AP		120.14
87351	6/12/2018	PROMISE LLC		AP		49.80
87352	6/12/2018	RENEWED PROPERTIES, LLC		AP		117.45
87353	6/12/2018	SAIF CORPORATION		AP		75.00
87354	6/12/2018	SELECTEMP CORPORATION		AP		4,006.64
87355	6/12/2018	RONELLE SHANKLE		AP		250.00
87356	6/12/2018	SIERRA SPRINGS		AP		66.91
87357	6/12/2018	SOUTH FORK TRADING CO., INC.		AP		181.00
87358	6/12/2018	STANDARD INS. CO.		AP		3,843.77
87359	6/12/2018	TCMS, INC.		AP		2,740.50
87360	6/12/2018	THYSSENKRUPP ELEVATOR CORP.		AP		511.27
87361	6/12/2018	TWGW, INC. NAPA AUTO PARTS		AP		602.61
87362	6/12/2018	VERIZON WIRELESS		AP		1,204.16
87363	6/12/2018	WELLS FARGO FINANCIAL LEASIN		AP		734.00
87364	6/12/2018	WILDISH SAND & GRAVEL CO.		AP		171.58
87365	6/12/2018	CODY WILSON		AP		50.00
87366	6/12/2018	CHRISTOPHER WINGO		AP		47.00
87367	6/15/2018	ALBERTSONS / SAFEWAY		AP		42.37
87368	6/15/2018	BI-MART CORPORATION		AP		24.13
87369	6/15/2018	CASCADE COMPUTER MAINTENA		AP		3,154.00
87370	6/15/2018	CENTER POINT LARGE PRINT		AP		175.56
87371	6/15/2018	CITY DELIVERY SERVICE		AP		18.95
87372	6/15/2018	COMCAST		AP		268.77
87373	6/15/2018	COMCAST BUSINESS		AP		1,057.34
87374	6/15/2018	KIRA DENTON		AP		50.00
87375	6/15/2018	DRIVER AND MOTOR VEHICLE SE		AP		3.00
87376	6/15/2018	GATEWAY IMPRINTS, INC.		AP		360.00
87377	6/15/2018	GROVE, MUELLER & SWANK, INC.		AP		10,000.00
87378	6/15/2018	HUTCHINS WELDING AND REPAIR		AP		20.40
87379	6/15/2018	INGRAM LIBRARY SERVICES		AP		430.96
87380	6/15/2018	INTERNATIONAL CODE COUNCIL,		AP		17.50
87381	6/15/2018	LEAGUE OF OREGON CITIES		AP		40.00
87382	6/15/2018	LINN COUNTY TREASURER		AP		162.00
87383	6/15/2018	JAMES LOFTIS		AP		33.27
87384	6/15/2018	NATIONAL BUSINESS SOLUTIONS		AP		825.54
87385	6/15/2018	NEOFUNDS BY NEOPOST		AP		1,000.00
87386	6/15/2018	NEW ERA		AP		432.54
87387	6/15/2018	OFFICE DEPOT		AP		349.01
87388	6/15/2018	OREGON DEPT. OF REVENUE		AP		2,094.00
87389	6/15/2018	SAMARITAN OCCUPATIONAL MED		AP		59.00
87390	6/15/2018	SELECTEMP CORPORATION		AP		2,072.40
87391	6/15/2018	SHAMROCK SUPPLY COMPANY, IN		AP		79.00
87392	6/15/2018	SNAP-ON-TOOLS		AP		45.99
87393	6/15/2018	STAPLES ADVANTAGE		AP		334.54
87394	6/15/2018	SUNSHINE INDUSTRIES UNLIMITE		AP		650.00
87395	6/15/2018	SWANK MOTION PICTURES		AP		360.00
87396	6/15/2018	WALKER HEATING & AC, INC.		AP		600.00
87397	6/15/2018	WELLS FARGO FINANCIAL LEASIN		AP		49.00
87398	6/15/2018	DALE WEST		AP		100.00
87399	6/15/2018	WOODCHUCK TREE SVC., LLC		AP		300.00
87400	6/26/2018	JET CHEVROLET, INC.		AP		80,244.04
87401	6/26/2018	TRAILERPLUS REDMOND		AP		7,242.00

Check No	Check Date	Name	Comment	Module	Clear Date	Amount
0	6/29/2018	PERS		AP	6/29/2018	12,152.11
0	6/29/2018	FICA PAYROLL TAXES		AP	6/29/2018	30,831.14
0	6/29/2018	HSA - PAYROLL DEDUCTIONS		AP	6/29/2018	775.00
0	6/29/2018	SWEET HOME POLICE EMPLOYEE		AP	6/29/2018	1,360.00
0	6/29/2018	Vantagepoint Trf. Agents 705507		AP	6/29/2018	458.33
0	6/29/2018	Vantagepoint Trf. Agents 300619		AP	6/29/2018	3,670.00
0	6/29/2018	FIRST INVESTORS - PAYROLL DED		AP	6/29/2018	350.00
0	6/29/2018	EBS TRUST		AP	6/29/2018	73,076.26
0	6/29/2018	AFLAC		AP	6/29/2018	831.22
0	6/29/2018	NATIONWIDE-PAYROLL DEDUCTI		AP	6/29/2018	1,150.00
0	6/29/2018	FEDERAL PAYROLL TAXES		AP	6/29/2018	19,319.60
0	6/29/2018	Vantagepoint Trf. Agents 108524/10904		AP	6/29/2018	24,427.43
0	6/29/2018	CHILD SUPPORT ACCOUNTING UN		AP	6/29/2018	917.00
0	6/29/2018	MEDICARE		AP	6/29/2018	7,338.03
0	6/29/2018	ASI-PAYROLL DEDUCTIONS		AP	6/29/2018	120.00
0	6/29/2018	OREGON PAYROLL TAXES		AP	6/29/2018	9,478.15
87402	6/29/2018	OREGON AFSCME COUNCIL 75		AP		1,064.61
87403	6/29/2018	STEELHEAD STRENGTH & FITNES		AP		682.30
87404	6/29/2018	CRAIG STILL		AP		560.92
87405	6/29/2018	SWEET HOME COMMUNITY FOUN		AP		155.00
87406	6/29/2018	UNITED WAY		AP		40.00
87407	6/29/2018	911 SUPPLY		AP		57.00
87408	6/29/2018	ALBERTSONS / SAFEWAY		AP		95.00
87409	6/29/2018	ANDERSON ENTERPRISES		AP		4,424.82
87410	6/29/2018	BLACKSTONE PUBLISHING		AP		795.00
87411	6/29/2018	BUCK'S SANITARY SERVICE, INC.		AP		348.00
87412	6/29/2018	CASCADE COMPUTER MAINTENA		AP		2,565.00
87413	6/29/2018	CENTURYLINK		AP		1,347.31
87414	6/29/2018	CH2M OM SERVICES		AP		88,439.17
87415	6/29/2018	COMCAST		AP		203.36
87416	6/29/2018	COMCAST BUSINESS		AP		1,476.52
87417	6/29/2018	JANA DURHAM		AP		61.22
87418	6/29/2018	FASTENAL COMPANY		AP		59.11
87419	6/29/2018	GREEN THUMB GARDEN CENTER		AP		69.99
87420	6/29/2018	MARGERY HOFFMAN		AP		45.24
87421	6/29/2018	INTERNATIONAL CODE COUNCIL,		AP		8.00
87422	6/29/2018	RUSSELL JAQUES		AP		70.33
87423	6/29/2018	JUNIOR LIBRARY GUILD		AP		54.75
87424	6/29/2018	RICHARD & DEANA KEENE		AP		52.08
87425	6/29/2018	KIP AMERICA, INC.		AP		240.00
87426	6/29/2018	LINN COUNTY RECORDER		AP		285.00
87427	6/29/2018	JOHN & JILL MAGEE		AP		125.43
87428	6/29/2018	CHAYHOWA MCELHINNY		AP		35.00
87429	6/29/2018	METEREADERS, LLC		AP		1,967.49
87430	6/29/2018	MOONLIGHT BPO, INC.		AP		792.37
87431	6/29/2018	NATIONAL BUSINESS SOLUTIONS		AP		258.77
87432	6/29/2018	NEU FLO PLUMBING		AP		423.00
87433	6/29/2018	NORTHWEST CODE PROFESSIONA		AP		2,960.58
87434	6/29/2018	NORTHWEST NATURAL		AP		25.76
87435	6/29/2018	NW APPAREL & GRAPHICS		AP		2,584.00
87436	6/29/2018	O & M POINT S TIRE & AUTO SERV		AP		225.50
87437	6/29/2018	OFFICE DEPOT		AP		14.38
87438	6/29/2018	OREGON CASCADES WEST COG		AP		10,383.27
87439	6/29/2018	OREGON CODE ENFORCEMENT AS		AP		75.00
87440	6/29/2018	OREGON DEPT OF ENVIRONMENT		AP		360.00
87441	6/29/2018	PASTEGA COFFEE SERVICE		AP		138.16

Check No	Check Date	Name	Comment	Module	Clear Date	Amount
87442	6/29/2018	PETROCARD		AP		5,464.99
87443	6/29/2018	PETTY CASH - PUBLIC WORKS		AP		130.98
87444	6/29/2018	POCKET PRESS, INC.		AP		78.42
87445	6/29/2018	PROFESSIONAL SECURITY ALARM		AP		1,112.00
87446	6/29/2018	JOANNA PURKERSON		AP		100.00
87447	6/29/2018	KEITH ROHRBOUGH		AP		75.00
87448	6/29/2018	SAFETY ELECTRIC, INC.		AP		87.00
87449	6/29/2018	SAN DIEGO POLICE EQUIP. CO., IN		AP		1,177.06
87450	6/29/2018	SELECTEMP CORPORATION		AP		4,075.72
87451	6/29/2018	SIERRA SPRINGS		AP		76.97
87452	6/29/2018	STATE OF OREGON LOTTERY		AP		35.00
87453	6/29/2018	DAVID STAUP		AP		29.67
87454	6/29/2018	SYNCB/AMAZON		AP		2,006.48
87455	6/29/2018	TELL & SELL		AP		155.22
87456	6/29/2018	RAY TOWRY		AP		100.00
87457	6/29/2018	TYLER TECHNOLOGIES, INC.		AP		4,070.96
87458	6/29/2018	ULINE		AP		143.58
87459	6/29/2018	WELLS FARGO FINANCIAL LEASIN		AP		734.00
87460	6/29/2018	WELLS FARGO VENDOR FIN SERV		AP		157.93
87461	6/29/2018	ANGELA WITTWER		AP		113.69
					Total Check Count:	178
					Total Check Amount:	535,387.55

SWEET HOME MUNICIPAL COURT MONTHLY REPORT
JUNE 2018

OFFENSE CLASS	FILED	TERMINATED	TRIALS
MISDEMEANORS	21	19	0
VIOLATIONS	44	15	0
TOTALS	65	34	0

WARRANTS	52
SUSPENSIONS	19
SHOW CAUSE ORDERS	2
COURT ASSIGNED CASE	156

COURT REVENUE:

TOTAL DEPOSITS	+	15,360.44
TOTAL BAIL FORFEIT	+	0.00
TOTAL BAIL (CURRENT MONTH)	-	0.00
TOTAL REFUNDS (NON-BAIL)	-	
TOTAL COURT REVENUE		15,360.44

TOTAL NON-REVENUE CREDIT ALLOWED AGAINST FINES: 0.00

CASH PAYMENTS TO:

CITY	13,485.44
STATE	1,331.63
COUNTY	176.00
OTHER	367.37
TOTAL	15,360.44

COURT PAYMENTS:

CITY (FINES)	4,140.00
RESTITUTION & OTHER	367.37
UNITARY ASSESSMENT	1,331.63
COUNTY/JAIL ASSESSMENT (CA/CC)	176.00
LEMLA & SCFS	0.00
DUII	0.00
PAYMENTS TO OTHER AGENCIES	0.00
CITY COSTS (FEES)	9,345.44
TOTAL COURT PAYMENTS	15,360.44

RECEIVED FROM COLLECTIONS THIS MO:	7,227.44
RECEIVED FROM COLLECTIONS TO DATE:	247,426.21
TURNED TO COLLECTIONS TO DATE:	2,294,107.80

BALANCE FORWARD: audited	**1,556,974.77**
NEW A/R IMPOSED BY JUDGE:	15,360.44
MINUS:	
PAYMENTS REC'D BY COURT:	(8,133.00)
NON-REVENUE CREDIT:	0.00
SENT TO *COLLECTIONS*:	(43,088.99)
NET A/R	**1,521,113.22**