



Agenda Bill 2018-07-09-01

Date: July 9, 2018

To: Russell Axelrod, Mayor
Members, West Linn City Council

From: Peter Spir, Associate Planner

Through: John R. Williams, Community Development Director *JRW*
Eileen Stein, City Manager *ES*

Subject: Step Two of Annexation of 6.47 acres at 23190 Bland Circle (ANX-17-01)

Purpose:

David and Drucilla Sloop, owners of property at 23190 Bland Circle, are requesting annexation to the City of West Linn.

Question(s) for Council:

This is the second step of the annexation process, the policy decision. Does the City Council ("Council") wish to annex the property at 23190 Bland Circle?

Public Hearing Required: Yes.

Background & Discussion:

David and Drucilla Sloop are requesting annexation of their 6.47 acre property at 23190 Bland Circle with a zoning designation of R-7.

Annexations are reviewed in a two-step process. The step one hearing was held on February 12, 2018. At that date, the Council assigned a zone designation of R-7 (Ordinance 1672) and passed a resolution to hold an advisory vote on May 15, 2018. The outcome of the non-binding advisory vote was that 67 percent of West Linn voters recommend approval of the annexation.

Step two review for annexation proposals is a legislative or policy decision that applies the standards of West Linn Municipal Code (WLMC) 2.930. During step two, the Council may approve an annexation request if it finds that the annexation is in the best interest of the City based on the report prepared by the Planning Director; testimony and evidence presented at the public hearing; and any other information, evidence, or analysis the City or the Council deems relevant to the application.

The property is one of several county “islands,” located one-quarter mile inside the Urban Growth Boundary (UGB). The neighborhood is substantially built out with single family homes. The property has been included in all of the City’s adopted long-range facility and capital improvement plans. All necessary utilities are available to serve the property. In summary, staff finds that the application meets all of the criteria required for approval.

Budget Impact:

The annexation would bring the property onto the City tax rolls and make it subject to City fees and assessments.

Council Options:

Step 2: Policy Decision

1. Approve the annexation of 23190 Bland Circle.
2. Decline to annex this property.

Staff Recommendation:

Staff recommends a Council approval of the annexation of 23190 Bland Circle into the City and the Tri-City Service District and the withdrawal from the Clackamas County Enhanced Law Enforcement District, via adoption of Ordinance 1671.

Potential Motions:

I move to approve the First Reading for Ordinance 1671, “An Ordinance Approving the Annexation of Real Property Located at 23190 Bland Circle; Removing the Property from Special Districts; and Adding the Property to Special Districts,” and set the matter for Second Reading.

If approved unanimously, please complete Second Reading.

I move to approve the Second Reading for Ordinance 1671, “An Ordinance Approving the Annexation of Real Property Located at 23190 Bland Circle; Removing the Property from Special Districts; and Adding the Property to Special Districts,” and adopt the ordinance.

Attachments:

- Ordinance 1671
- Staff Report

ORDINANCE NO. 1671

AN ORDINANCE APPROVING THE ANNEXATION OF REAL PROPERTY LOCATED AT 23190 BLAND CIRCLE; REMOVING THE PROPERTY FROM SPECIAL DISTRICTS; AND ADDING THE PROPERTY TO SPECIAL DISTRICTS

WHEREAS, the 6.47 acres of real property at 23190 Bland Circle, West Linn, Oregon ("Property"), and further described in Exhibits A and B, which is attached and incorporated by this reference, are located within the Metro Urban Growth Boundary and are eligible for annexation into the City of West Linn; and

WHEREAS, the City of West Linn public facility plans anticipate annexation of this area and can accommodate serving this property; and

WHEREAS, the West Linn City Council approved Step 1, the land use decision to annex the real property; and

WHEREAS, the West Linn City Council approved Step 2, the policy decision; and

WHEREAS, annexation of the property into the City will allow it to be served by the Tri-City Service District, which provides sewer service to all properties connected to the public sewer system in the City; and

WHEREAS, annexation of the property into the City will result in the West Linn Police Department providing law enforcement services, eliminating the need for Clackamas County Enhanced Law Enforcement District to serve the annexed property.

NOW, THEREFORE, THE CITY OF WEST LINN ORDAINS AS FOLLOWS:

SECTION 1. Annexation. The City approves the annexation of the property located at 23190 Bland Circle ("Property") and further described in Exhibits A and B, which is attached and incorporated by this reference.

SECTION 2. Annexation to Tri-City Service District. The City requests and approves of the annexation of the Property into the Tri-City Service District.

SECTION 3. Removal from Law Enforcement District. The City requests and approves of the removal of the Property from the Clackamas County Enhanced Law Enforcement District.

SECTION 4. Severability. The sections, subsections, paragraphs and clauses of this ordinance are severable. The invalidity of one section, subsection, paragraph, or clause shall not affect the validity of the remaining sections, subsections, paragraphs and clauses.

SECTION 5. Effective Date. This ordinance shall take effect on the 30th day after its passage.

The foregoing ordinance was first read by title only in accordance with Chapter VIII, Section 33(c) of the City Charter on the 9th day of July, 2018, and is duly PASSED and ADOPTED this 9th of July, 2018.

RUSSELL B. AXELROD, MAYOR

ATTEST:

KATHY MOLLUSKY, CITY RECORDER

APPROVED AS TO FORM:

CITY ATTORNEY

EXHIBIT A



SECTION 1: LEGAL DESCRIPTION OF PROPERTY TO BE ANNEXED

A TRACT OF LAND SITUATED IN THE NORTHEAST 1/4 OF SECTION 35, TOWNSHIP 2 SOUTH, RANGE 1 EAST, WILLAMETTE MERIDIAN, CLACKAMAS COUNTY, OREGON AND BEING A PORTION OF LOT 21, "BLAND ACRES", A PLAT OF RECORD IN CLACKAMAS COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEASTERLY CORNER OF "WEATHERHILL ESTATES" A PLAT OF RECORD IN CLACKAMAS COUNTY, OREGON; THENCE ALONG THE NORTHEASTERLY LINE OF "GRAND VIEW", A PLAT OF RECORD IN CLACKAMAS COUNTY, OREGON SOUTH $73^{\circ}04'36''$ EAST 413.62 FEET TO THE SOUTHWEST CORNER OF THAT TRACT OF LAND CONVEYED TO THE CITY OF WEST LINN BY WARRANTY DEED RECORDED AS DOCUMENT NUMBER 95-071438, CLACKAMAS COUNTY DEED RECORDS; THENCE ALONG THE WEST LINE OF SAID CITY OF WEST LINN TRACT NORTH $19^{\circ}02'10''$ EAST 21.83 FEET TO THE NORTHWESTERLY CORNER THEREOF; THENCE ALONG THE NORTH LINE OF SAID CITY OF WEST LINN TRACT SOUTH $86^{\circ}14'54''$ EAST 63.68 FEET; THENCE CONTINUING ALONG SAID NORTH LINE NORTH $84^{\circ}23'46''$ EAST 61.41 FEET; THENCE CONTINUING ALONG SAID NORTH LINE SOUTH $88^{\circ}18'57''$ EAST 67.26 FEET, MORE OR LESS, TO THE WEST RIGHT OF WAY LINE OF SALAMO ROAD; THENCE ALONG SAID WEST RIGHT OF WAY LINE NORTH $15^{\circ}36'00''$ EAST 124.82 FEET TO AN ANGLE POINT IN SAID RIGHT OF WAY LINE; THENCE CONTINUING ALONG SAID RIGHT OF WAY LINE NORTH $34^{\circ}09'00''$ EAST 82.44 FEET TO THE MOST SOUTHERLY CORNER OF THAT TRACT OF LAND CONVEYED TO THE CITY OF WEST LINN BY DEED RECORDED AS DOCUMENT NUMBER 95-004519, CLACKAMAS COUNTY DEED RECORDS; THENCE ALONG THE WESTERLY LINE OF SAID CITY OF WEST LINN TRACT (WHICH IS DESCRIBED IN DEED RECORDED AS DOCUMENT NUMBER 95-004519) 76.80 FEET ALONG A NON-TANGENT 570.00 FOOT RADIUS CURVE CONCAVE TO THE SOUTHEAST THROUGH A CENTRAL ANGLE OF $07^{\circ}43'12''$ (LONG CHORD BEARS NORTH $23^{\circ}50'56''$ EAST 76.74 FEET); THENCE CONTINUING ALONG SAID WESTERLY LINE 155.87 FEET, MORE OR LESS, ALONG A 490.00 FOOT RADIUS CURVE CONCAVE TO THE NORTHWEST THROUGH A CENTRAL ANGLE OF $18^{\circ}13'32''$ (LONG CHORD BEARS NORTH $18^{\circ}35'46''$ EAST 155.21 FEET, MORE OR LESS) TO THE NORTH LINE OF LOT 21, "BLAND ACRES"; THENCE ALONG SAID NORTH LINE NORTH $74^{\circ}45'00''$ WEST 569.97 FEET TO THE MOST EASTERLY CORNER OF LOT 22, "BLAND ACRES"; THENCE ALONG THE EASTERLY LINE OF THE AFOREMENTIONED "WEATHERHILL ESTATES" SOUTH $24^{\circ}14'17''$ WEST 499.81 FEET TO THE POINT OF BEGINNING.

REGISTERED
PROFESSIONAL
LAND SURVEYOR


OREGON
JULY 14, 1978
DON DEVLAEINCK
1634

DATE OF SIGNATURE: 7/14/17
EXPIRES 12/31/2017



CITY OF
West Linn
 PLANNING AND DEVELOPMENT

**STAFF REPORT
 FOR THE CITY COUNCIL**

FILE NUMBER: ANX-17-01

HEARING DATE: July 9, 2018

REQUEST: Annexation (Expedited Decision) of 6.47 acres at 23190 Bland Circle: Step Two

APPROVAL CRITERIA: Municipal Code (WLMC) 2.920-2.930; CDC Chapter 81

STAFF REPORT PREPARED BY: Peter Spir, Associate Planner

Planning Manager's Initials

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GENERAL INFORMATION

OWNERS: David and Drucilla Sloop, 23190 Bland Circle

APPLICANT: Andrew Tull, 3J Consulting

SITE LOCATION: 23190 Bland Circle

DESCRIPTION: The site is identified as Assessor's Map 2S 1E 35A tax lot 1100

SITE SIZE: 6.47 acres (281,833 square feet)

PROPOSED ZONING

DESIGNATION: R-7 (Single family residential detached and attached, 7,000 square foot minimum lot size)

COUNTY ZONING: FU-10 (Future Urbanizable 10 acre district (County))

COMPREHENSIVE PLAN

DESIGNATION: Low Density Residential

PUBLIC NOTICE: Per ORS 197.763(2) (a) (A), notice was mailed on June 15, 2018 to satisfy the 20 day notice to all property owners within 500 feet (ORS only requires 100 feet), the Savanna Heights Neighborhood Association, DLCD, The property was posted with a sign on Salamo Road on June 15, 2018. Notice was published in the West Linn Tidings on Thursday June 28, 2018 and July 5, 2018.

The affidavit of notice (Exhibit CC-3) validates that the notice requirements of Metro Code, CDC, WLMC and Oregon State statutes have been met.

PROCESS: Annexations go through a two-step process. The step one hearing was held on February 12, 2018. At that date, the Council assigned a zone designation of R-7 and passed a resolution to hold an advisory vote on May 15, 2018. The election results for the non-binding advisory vote showed 67 percent of West Linn voters in favor of the annexation.

Step two review for annexation proposals is a legislative or policy decision that applies the standards of West Linn Municipal Code (WLMC) 2.930(2).

2.930 Step 2: Policy Decision.

- (1) Step 2 of the annexation process is a policy decision and shall follow the steps in the subsections below.*
- (2) If the annexation is approved in the Step 1 process, the Planning Director shall prepare a report which includes the following information:*
 - (a) General information on the property or properties, including but not limited to location, size, access to infrastructure, recommended zone, protected resource areas and infrastructure status;*
 - (b) Impact on the school district, including but not limited to impacted schools, taxes, and anticipated number of additional students;*
 - (c) Cost to City of infrastructure that is not funded by SDCs; and*
 - (d) Tax implications for the City.*

During step two, the Council may approve an annexation request if it finds that the annexation is in the best interest of the City based on the report prepared by the Planning Director; testimony and evidence presented at the public hearing; and any other information, evidence, or analysis the City or the Council deems relevant to the application. Concurrently, the property will be annexed into the Tri-City Service District and removed from the Clackamas County Enhanced Law Enforcement District.

The Council may deny an annexation acting in its legislative capacity even after it has approved the annexation application through the step one process.

PUBLIC COMMENTS: As of June 25, 2018, there has only been one submittal received: SONA draft minutes forwarded by Roberta Schwarz (see Exhibit CC-2).

EXECUTIVE SUMMARY

The hearing is to consider the request for annexation of 23190 Bland Circle, located within the Urban Growth Boundary (UGB).

At the February 12, 2018 Step One hearing, the zoning designation of R-7 was assigned. The May 15, 2018, advisory vote saw 67 percent in favor of the annexation.

No new schools, police stations, fire stations, city hall or libraries are required by this annexation. Improvements to Willamette Drive and I-205 are programmed and budgeted for, consistent with local (TSP) regional (RTP) and ODOT's Statewide Transportation Improvement Program (STIP); all of which anticipated growth within the urban growth boundary. All utilities are available and sized in anticipation of this property being annexed.

The current residents of this property are already using City services and infrastructure (library, senior center, roads, parks, etc.) without paying City taxes and fees towards them. By annexing this property, current and future residents will start to contribute towards those costs initially through SDCs and the WLWV School District's "Construction Excise Tax" and in the long term through annual City taxes and fees.

Because this neighborhood is characterized by relatively new infrastructure, it is expected that much of the generated revenue (see "Addendum", Table 2) will be directed to the infrastructure needs (streets, water pipe replacement, etc.) of the City's older neighborhoods.

RECOMMENDATION

Staff recommends a Council decision to approve by Ordinances (attached) the annexation of property at 23190 Bland Circle to the City of West Linn with an R-7 zone designation, to annex the property into the Tri-City Service District, and to remove the property from the Clackamas County Enhanced Law Enforcement District.

ADDENDUM
APPLICABLE REGULATIONS AND ASSOCIATED FINDINGS
STEP TWO: “LEGISLATIVE/POLICY DECISION”

WLMC 2.930

(a) “General information on the property or properties, including but not limited to location, size, access to infrastructure, recommended zone, protected resource areas and infrastructure status;”

Location: 23190 Bland Circle is located on the west side of Salamo Road and 500 yards inside the City limits and Urban Growth Boundary.

Size: 6.47 acres

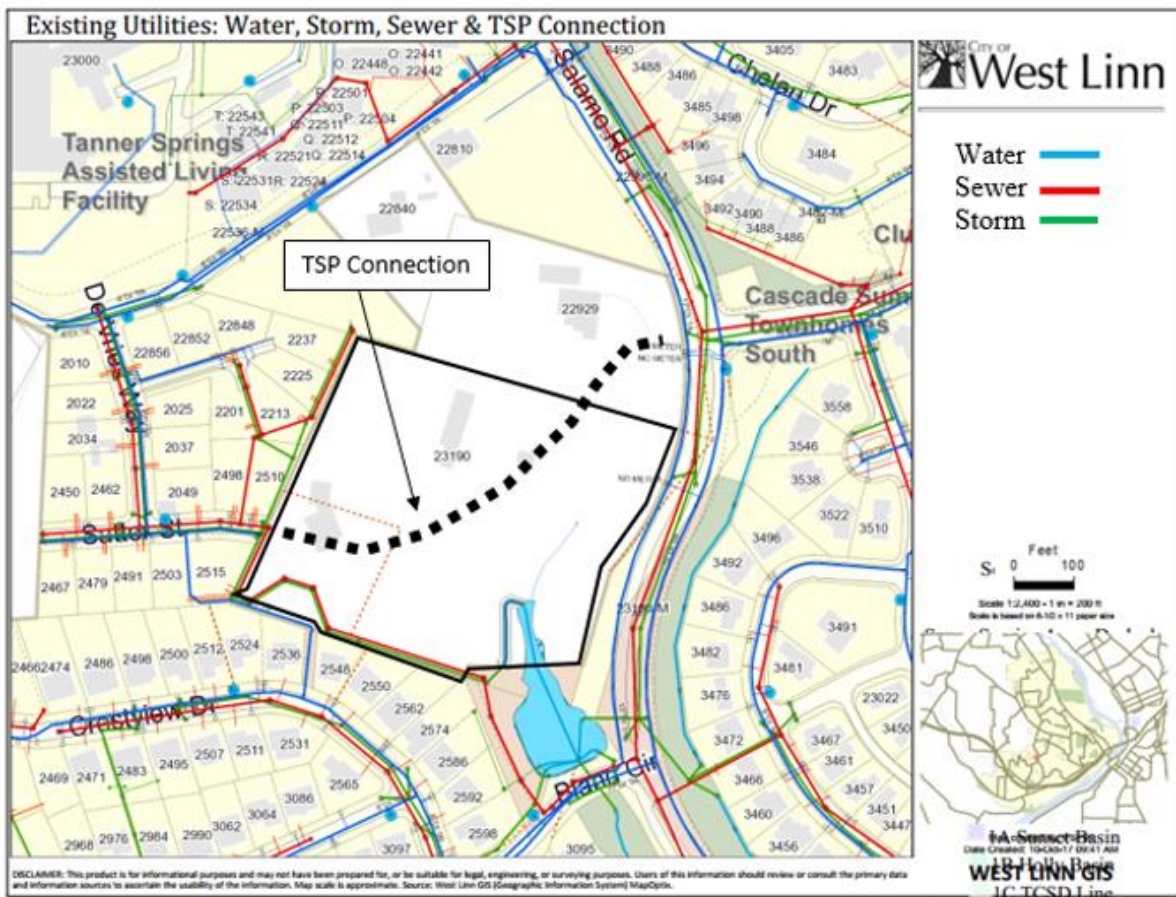


Access to infrastructure and infrastructure status: All water, sewer and storm water utilities are available at this site and are sized to meet their respective utility master plans. Public sewer and storm water lines are available on the south edge of this property. A storm water detention facility, adjacent to the site on Salamo Creek, was upgraded in 2017 and has capacity for this property and future development. A 12-inch water line is available to the east in the Salamo Road right-of-way and an eight inch water line stubs out on the west property line in the Weatherhill Estates Subdivision. This site is

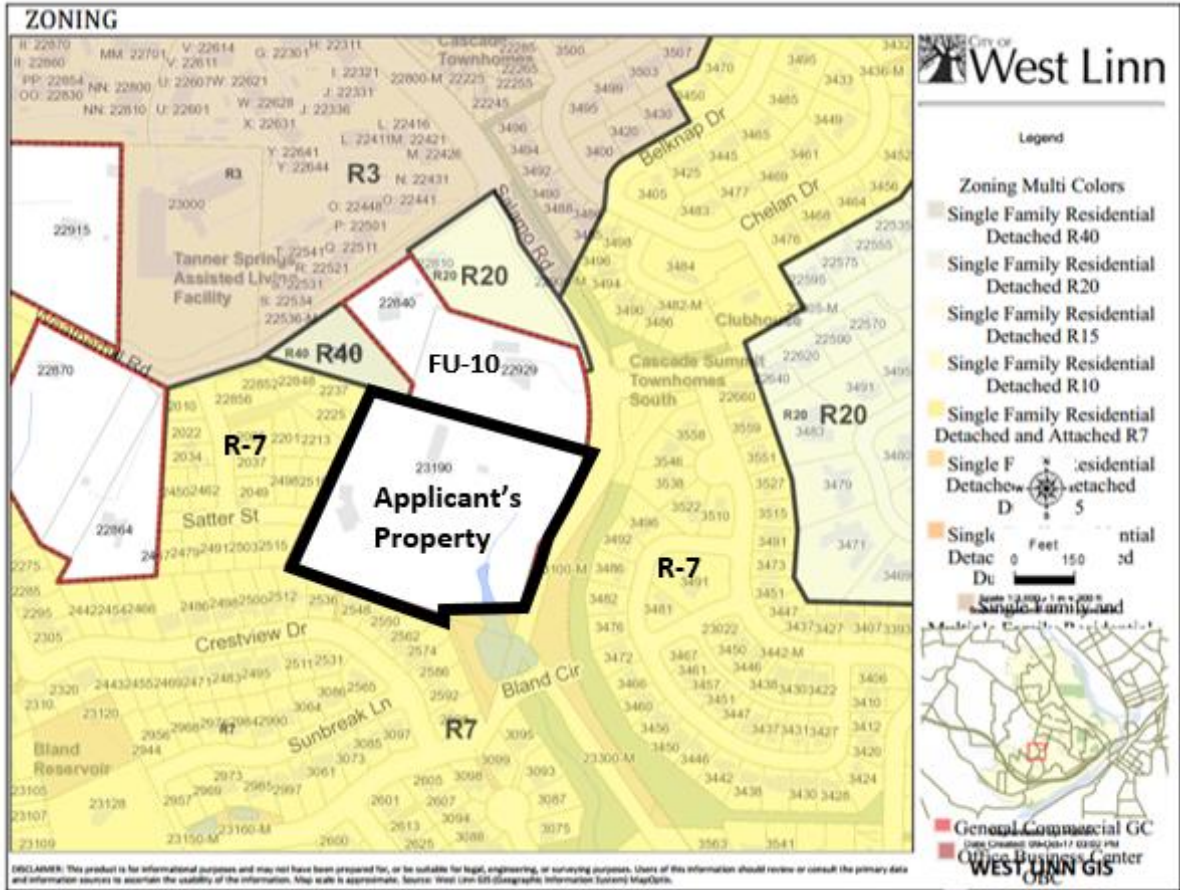
in the Horton Water Pressure Zone and no upgrades to that reservoir are required per the Water Master Plan. Private utilities including natural gas, electricity and cable are available.

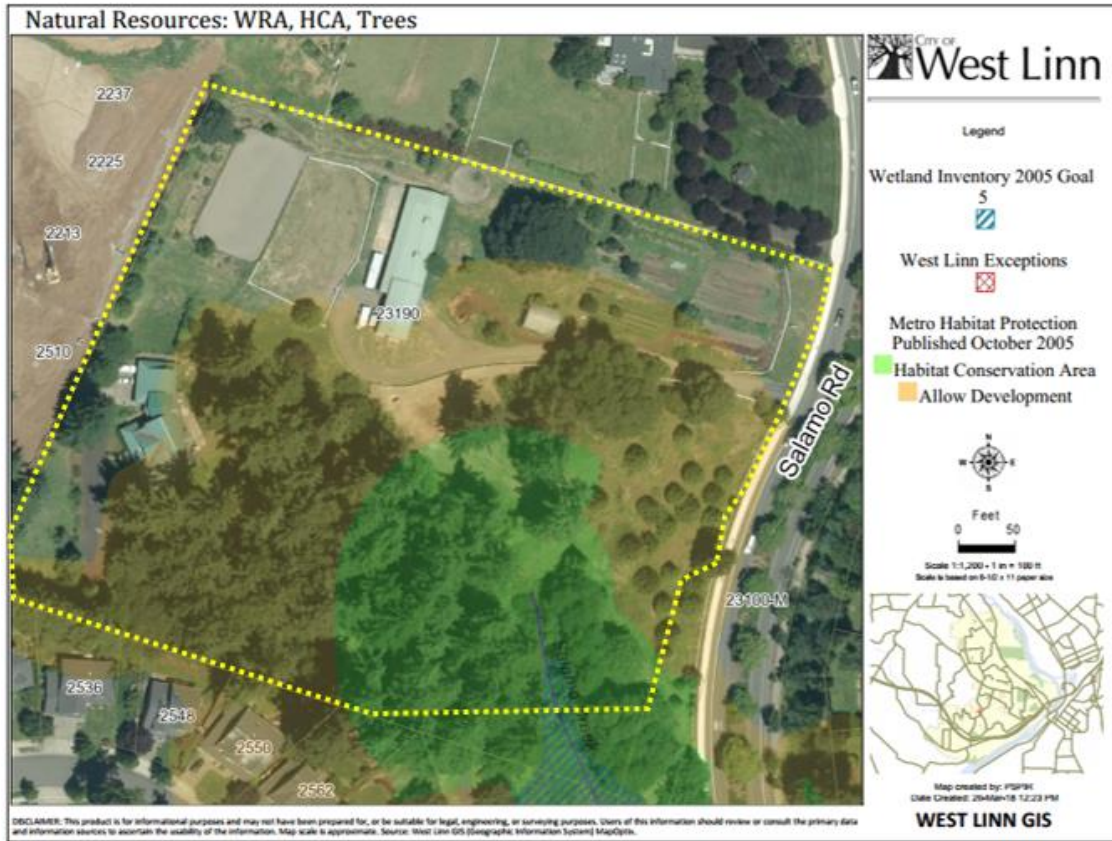
Satter Street stubs out at the west edge of this property and is expected to connect with Salamo Road, per the 2016 Transportation System Plan (TSP) (“Recommended Local Street Connectivity Projects” Figure 12), at such time that the property is developed. Salamo Road is classified as a Minor Arterial on the east edge of the property and has a Level of Service (LOS) of “A”. There are already sidewalks along the property’s Salamo Road frontage.

There are no utility or infrastructure deficiencies at this location.



Recommended Zone: The zone assignment of R-7 was established in Step One. The Comprehensive Plan designation for this property and surrounding properties is “Low Density Residential”, which permits R-7 to R-40 zones. The zone designation is consistent with R-7 zoning of adjacent residential development to the west, south and east which represents 70 percent of the property perimeter.





(b) Impact on the school district, including but not limited to impacted schools, taxes, and anticipated number of additional students;

The applicant's property is within the catchment boundaries of Trillium Elementary School, Rosemont Ridge Middle School and West Linn High School.

Andrew Tull, for 3J Consulting, provided the following findings on behalf of the applicant:

"The West Linn-Wilsonville School District Long Range Plan of 2014 identifies student yield factors for single-family detached housing units of 0.31 for K-5, 0.12 for 6-8 and 0.14 for 9-12. This means that development of this property with approximately 20-30 homes could yield approximately 8 elementary students, 3 middle school students and 4 high school students. The anticipated 15 students that may enter the school district from these homes will have a negligible effect on the existing schools. The enrollment forecasts for all schools in the district includes build-out of properties in the Urban Growth Boundary, such as this one."

"The implementation of new capital facilities for schools is funded through municipal bonds. Bonds are prepared based upon estimates of the build-out needs for facilities using the potential for development within the City's Urban Growth Boundary. As new

homes are added to the tax base through the conversion of rural lands to urban developments, the larger debt service associated with school bonds is spread across a larger tax base. The tax rates associated with voter-approved debt may drop as a result of the introduction of new homes within the service area. As such, additional students are anticipated will not cause significant impact to the school district. The annexation may have a positive effect on the tax roles for existing debt service associated with current school bonds."

Tim K. Woodley WLWV Director, Department of Operations, reviewed Andrew Tull’s findings and responded by an email, dated March 6, 2018, which is attached as exhibit CC-1. Mr. Woodley included the following comments:

"...I believe the applicant’s statements are accurate. The school district is not bounded by city limits and we serve all children in the district regardless of location or address. There are nearly 10,000 students enrolled in 16 schools; a few more, or less, has minimal impact. Financial impact is also negligible because funding for education is collected at the state level and then evenly distributed to all districts in the state based enrollment...."

At the February 12, 2018 Council hearing, there were questions regarding the projected number of students depending on how much development ultimately occurs. Staff has provided the table below with the projected number of students broken down by grades and by 20 homes and 30 homes. Thirty homes would add 17.1 students. Twenty homes would add 11 students.

Table 1: Potential number of students

Development	Grades K-5 students	Grade 6-8 students	Grades 9-12 students	Total Students
20 homes	6.2	2.4	2.8	11.4
30 homes	9.3	3.6	4.2	17.1

At the February 12, 2018 Council hearing, there were also concerns expressed that expansion of West Linn High School may be imminent and should be taken into account when we talk about the impact on schools. Tim Woodley responded to that issue in an email dated April 2, 2018 which is also part of exhibit CC-1. Mr. Woodley included the following comments:

"...Regarding WLHS or Rosemont Ridge Middle School, the District has no immediate plans to remodel/expand/replace these two schools with the exception of possible main entry adjustments to provide secure entry to school reception office before a visitor can enter the main building. This could require minor entry changes that would have no affect on student capacity...."

Trillium Creek Elementary School was constructed in 2011 and has excess capacity. No expansion of that school is needed.

The combined school district taxes (school tax, school bond and local option) account for 48.3 percent of the residential property tax in West Linn (source: Clackamas County Assessment and Taxation). A house (and land) with an assessed value of \$500,000 would pay \$8,650 in total property tax of which \$4,177 goes to the school district. For 29 new homes (30 homes minus the existing home), that translates to \$125,310 going to the school district annually.

Additionally, new homes pay a one-time school district “Construction Excise Tax”, (exclusively benefitting the school district). This tax was introduced in 2007. New homes are assessed at a rate of \$1.26 per square foot. The average square footage for homes in this area is 3,200 square feet which means a tax of \$4,032 per home. For 29 new homes, that translates to \$116,928 going to the school district.

It should be noted that some of the future residents may already reside in the WLWV school district boundary and would already be paying off approved district bonds.

(c) *Cost to City of infrastructure that is not funded by [System Development Charges] SDCs*

West Linn has the highest SDC rates and among the lowest property tax rates in the metro area. SDCs are fees specifically levied on new development to help fund capital projects/infrastructure, capacity increasing projects, and facility upgrades, etc. By covering a significant share of projects associated with growth, SDCs reduce the reliance on general fund monies: property taxes, voter approved bonds, and monthly water, waste water, storm water, parks fees- as a funding source.

This criteria focuses on non-SDC funded infrastructure costs directly associated with new home development on annexed properties. Infrastructure costs are defined as the “brick and mortar” or the constructed facility only. Infrastructure costs do not include the long term maintenance of the facility or the cost of operation and staffing.

For the discussion of infrastructure costs, staff relied on the Six Year Capital Improvement Plan 2018-2023 (City of West Linn, 2018) and City Master Plans to identify needed projects and funding sources.

Parks

The Parks, Recreation and Open Space Plan finds that there are no new parks needed near the proposed annexation site. The closest proposed park, identified as “A-8” “Proposed Active-Oriented Park”, has already been satisfied by the construction of Douglas Park, south of Haskins Road in 2011.

According to the Six Year Capital Improvement Plan 2018-2023 (City of West Linn, 2018) parks and open spaces, recreation activities, and special events in the community are funded from three sources.

1.) Parks Systems Development Charges (SDC's) are assessed on new development projects and used exclusively for system capacity-increasing projects. SDC's contribute 83 percent of funding. (The criteria does not allow consideration of the fact that development of the property will yield Parks SDC's at a rate of \$10,616 per each new home or \$307,864 for 29 new homes.)

2.) Grants contribute 9 percent of funding for future projects.

3.) The City's permanent property tax rate, a monthly parks maintenance fee of \$14.34 per household, and program fees contribute 8 percent. By annexing this property, the annual park maintenance fee contribution of 30 homes would be \$4,990.

Except for new parks and park facilities (which are paid for largely by SDCs and regional/state grants), existing facilities constitute "sunk costs" in that their maintenance would be required regardless of whether this property were annexed or not.

Library

The proposed project is a Library Generator which can be paid from County transfer payments and City fees. (A new library roof is listed as a "General Fund" item, see below.) The General Obligation (GO) Bond approved by voters in May 2018 could be used for this project. The annexation of this property and the taxes derived from 30 homes would fractionally accelerate the retirement of that bond.

Information Technology Fund

Proposed projects comprise Disaster Recovery Infrastructure Hardware and Virtual Server Farm Hardware. Funding is derived from City fees.

These projects represent "sunk costs" in that they are considered as upgrades, or peripheral to, existing systems and would be required regardless of whether this property were annexed or not. The construction of homes at this property will increase the tax base to help pay towards these costs.

General Fund

The General Fund is a governmental fund used to account for the City's administrative, financial, facilities, communications, public works support services, vehicle maintenance, and municipal court operations. Major remodeling and rehabilitation of

aging or unused City facilities are the primary focus of capital projects in this area. According to the Six Year Capital Improvement Plan 2018-2023 (City of West Linn, 2018), possible projects include Bolton Station Rehabilitation, City Hall Security/Access Improvements, Deferred City Hall Capital Maintenance, Library Roof Replacement, Old Police Station Rehabilitation, Robinwood Station Rehabilitation and West Linn Operations Facility replacement.

Some of these improvements could be funded through the GO Bond. The construction of homes at this property will increase the tax base which, in turn, will fractionally accelerate the retirement of the GO Bond.

The majority of listed projects represent “sunk costs” in that they are existing facilities and their maintenance, such as the library roof replacement, would be required regardless of whether this property were annexed or not.

The Police Station is new and there are no plans to replace or expand it at this time.

Environmental Fund

The Sanitary Sewer Master Plan found that *“The future conditions model run predicted that 31 additional sewer segments would require upgrading to satisfy the selected criteria.”* (Staff note: none of the sewer segments are in the Salamo basin that would serve this property.) *“Analysis of the pump stations under the future conditions indicated that all have sufficient pumping capacity.”* No new infrastructure is required to serve this property. Tri-City has no capacity issues that would be impacted by the annexation and development of this property. All utilities needed for the development of this property will be the responsibility of the developer.

West Linn’s Environmental Services Division is responsible for the maintenance and operation of both the waste water and surface water systems. The City collects a monthly fee of \$19.77 for waste water and \$6.78 for storm water. (That translates to a combined annual fee revenue of \$9,558 for 30 homes.) The Tri-City Service District collects a monthly fee of \$2.25 for sewer. Fees collected from future homeowners on this property will contribute to long term maintenance, operation and facility upgrades. Since the sewer and storm facilities in this area are relatively new, localized maintenance costs are expected to be low.

There are no storm water facility deficiencies or capacity issues associated with the Salamo basin. No new storm water infrastructure is required to serve this property.

(The criteria does not allow consideration of the fact that development of the applicant’s property will contribute to the Surface Water and Sewer SDC fund at a rate of \$4,693 per home. An additional SDC for the Tri-City Service District is collected at a

rate \$3,125 per home. That translates to a combined sewer/storm SDC of \$226,722 for 29 new homes.)

Streets Fund

The potential 272 new trips per day (29 new homes X 9.4 ADT), distributed over the City, Regional and State road network (including Highway 43 and I-205), will not modify programmed or future capitol upgrades to those facilities since the TSP, Metro's Regional Transportation Plan (RTP) and ODOT's Statewide Transportation Improvement Program (STIP) have already anticipated population growth, including the development of currently unannexed urban islands like this property.

At such time that the development of a subdivision is proposed, the developer would be responsible for all costs associated with constructing internal streets and any required improvements in the adjacent Salamo Road ROW. Long term maintenance of internal streets, like Satter Street, would be applicable. However, because the street would be new, the need to resurface (slurry seal) the street would not be expected for eight years, at minimum. The estimated resurfacing cost in 2018 dollars would be \$12,833. Countervailing that cost are Street SDC's, discussed below, and annual City tax contributions.

Significant capital improvements projects include the Highway 43 (Willamette Drive) Project (North City Limits to Mary S Young Park). Ninety-one percent of the \$5.8 million cost is covered by Federal Transportation grants and SDCs. The GO Bond and fees are expected to contribute to these improvements. Approval of this annexation request will fractionally accelerate the retirement of GO Bond obligations.

(The criteria does not allow consideration of the fact that development of the property will yield Street SDC's collected at a rate of \$8,126 per each new home. Bike and Ped SDC's represent \$1,633 per home. Those amounts would total \$283,011 for 29 new homes.)

Previous studies on the cost of annexation had assigned the cost of I-205 and Highway 43 improvements to the future residents of annexed properties. That approach doesn't acknowledge that these projects are "sunk costs" and would be undertaken regardless of the annexation. Also, most future residents already live in the State of Oregon and already pay both state and federal taxes plus Oregon gas tax and vehicle title and registration fees which contribute to the principal sources of funding of upgrades for I-205 and Highway 43. Other future residents, who are not currently Oregon residents, but live elsewhere in the United States, are already contributing their federal taxes towards those projects.

Water

The newly completed Bolton Reservoir Replacement project increases capacity to 4.0 million gallons. That reservoir feeds Horton Reservoir which serves the applicant's property. No future storage or transmission upgrades are needed to serve this property.

Water service fees are restricted to use on operations, maintenance, and improvement of the water system. A standard residential three-quarter inch meter has a monthly fee of \$22.54 for the first 700 cubic feet of water. That translates to total annual amount of \$8,114 for 30 homes. Since the water lines near the proposed annexation site are relatively new, most of the fee revenues are expected to go to older neighborhood infrastructure maintenance or upgrades.

(The criteria does not allow consideration of the fact that development of the applicant's property will contribute to the Water SDC fund system capacity-increasing projects at a rate of \$8,674 per home. An additional SDC for the South Fork Water Board is collected at a rate \$1,658 per home. That translates to a total amount of \$299,628 for 29 new homes.)

Tualatin Valley Fire and Rescue (TVFR)

With the relatively new Bolton and Willamette stations in place and with the new Rosemont Station scheduled for completion in summer 2018, TVFR's facility needs in West Linn are satisfied for the indefinite future. Twenty to thirty additional homes will not trigger the need for any new stations.

TVFR District facility and operational costs in West Linn are borne by a very large tax base (district population of 519,853) and not exclusive to West Linn taxpayers. For an assessed \$500,000 home and property, the annual TVFR tax and bond share would be \$1,045. For 29 new homes, that translates to \$30,305.

(d) Tax implications for the City.

The permanent property tax rate for the City of West Linn is currently \$2.12 per \$1,000 of taxable assessed value. Bonds currently require \$0.24 per \$1,000 of assessed value. According to the City of West Linn Finance department website, that tax rate is "*the lowest property tax rate for cities in the surrounding area*".

For a house and land with an assessed valuation of \$500,000, the City tax and bond share would be \$1,269 (source: Clackamas County Assessment and Taxation). Thirty homes would yield \$38,070 in taxes annually towards needed City infrastructure,

operations, maintenance and programs as well as retirement of the bonds, which would fractionally reduce existing property owner’s costs. (Staff included the existing house since it is not currently contributing to City taxes.)

Table 2: Potential Revenue from Annexation

TAX and REVENUE SOURCES	REVENUE AMOUNT
1. POTENTIAL CITY TAX VALUE*	\$38,070 (ANNUAL)
2. POTENTIAL WLWV SCHOOL DISTRICT TAX PAYMENTS*	\$125,310 (ANNUAL)
3. POTENTIAL PARKS MAINTENANCE FEES*	\$4,990 (ANNUAL)
4. POTENTIAL WASTE AND STORM FEES*	\$9,558 (ANNUAL)
5. POTENTIAL WATER FEES*	\$8,114 (ANNUAL)
6. TOTAL POTENTIAL CITY AND WLWV SCHOOL DISTRICT TAX PAYMENTS AND FEES (1-5)*	\$186,012 (ANNUAL)
7. POTENTIAL PARK SDC REVENUE**	\$307,864
8. POTENTIAL SANITARY SEWER & STORM SDC REVENUE**	\$226,722
9. POTENTIAL STREET SDC REVENUE**	\$283,011
10. POTENTIAL WATER SDC REVENUE**	\$299,628
11. POTENTIAL WLWV SCHOOL DISTRICT “CONSTRUCTION EXCISE TAX” REVENUE**	\$116,928
12. TOTAL POTENTIAL SDCs + “CONSTRUCTION EXCISE TAX” REVENUE (7-11 total) (Not including annual taxes or monthly fees)	\$1,234,153

* Assuming 30 homes (1 existing plus 29 new homes) with a valuation of \$500,000 each.

**Assuming 29 new homes with valuation of \$500,000 each

Exhibit CC-1

E-mails from Tim Woodley, WLWV School District Director of Operations

From: Tim Woodley [mailto:Woodleyt@wlwv.k12.or.us]
Sent: Tuesday, March 06, 2018 1:18 PM
To: Spir, Peter <pspir@westlinnoregon.gov>
Cc: Doug Middlestetter <MiddlesD@wlwv.k12.or.us>
Subject: Re: proposed annexation's tax and cost impact to the City residents

Hi Peter: I believe the applicant's statements are accurate. The school district is not bounded by city limits and we serve all children in the district regardless of location or address. There are nearly 10,000 students enrolled in 16 schools; a few more, or less, has minimal impact. Financial impact is also negligible because funding for education is collected at the state level and then evenly distributed to all districts in the state based enrollment. Capital bonds and the local option levy are voted on by the patrons of the district with each property tax payer paying their share regardless of where they live. Thus, annexation of property from county to city is only a function of density from the school district perspective. If population is increased by annexation and more children are enrolled in schools, state funding for education is provided for each; and each property owner pays their county-calculated share of the local option and capital bond. If a more detailed explanation is required, the District CFO is available to make a statement. I hope this is helpful. tim

West Linn-Wilsonville School District
DEPARTMENT OF OPERATIONS
Tim K. Woodley, Director

From: Tim Woodley [mailto:Woodleyt@wlwv.k12.or.us]
Sent: Monday, April 02, 2018 3:30 PM
To: Spir, Peter <pspir@westlinnoregon.gov>
Subject: Re: Required remodels or new schools

Sorry Peter, I was out last week. Regarding WLHS or Rosemont Ridge Middle School, the District has no immediate plans to remodel/expand/replace these two schools with the exception of possible main entry adjustments to provide secure entry to school reception office before a visitor can enter the main building. This could require minor entry changes that would have no affect on student capacity. tim

West Linn-Wilsonville School District
DEPARTMENT OF OPERATIONS
Tim K. Woodley, Director

EXHIBIT CC-2

PUBLIC COMMENTS

Thu 6/7/2018 12:36 PM
Email from Roberta Schwarz

FYI. This is an item from the SONA draft minutes from our most recent meeting.

Thanks,
Roberta

1. Final update on Carole Connell's report. Carole Connell and Eben Fodor, who was to be the peer reviewer of her report, agree that it would cost much more than the original estimate of \$3500 to do a proper job of updating the 2004 and 2005 growth subsidy analysis that Ms. Connell previously did for the City of West Linn. In the introduction to her letter dated May 7th, 2018 she states, "As requested by the Savanna Oaks Neighborhood Association, I have made a concerted effort to simply update the "Report on Infrastructure Subsidies in West Linn" written 13 years ago. But, with an overview by Eben Fodor and fact finding from cooperative city finance, planning, and engineering staff, the school and fire districts, I find baseline assumptions have changed and some data sources are no longer comparable." In her conclusion to her letter to SONA Ms. Connell wrote: "In conclusion, I find that it is not possible for me to simply update the data in the original 2004-2005 growth subsidy analysis. This is a task that requires the skills of an economist, extensive time, and likely a significant cost. Thank you for your confidence in me, I regret I cannot properly perform the task." She also thanked the many people who work for the City of West Linn, the WLWV School District, and TVFR who answered so many questions and consulted with her on several occasions. Neither she nor Eben Fodor would accept any payment from SONA. SONA sent a thank you for the 40 plus hours that they had jointly put into this project.

EXHIBIT CC-3

AFFIDAVIT OF NOTICE AND MAILING PACKET

AFFIDAVIT OF NOTICE

We, the undersigned do hereby certify that, in the interest of the party (parties) initiating a proposed land use, the following took place on the dates indicated below:

GENERAL
 File No. HNX-17-01 Applicant's Name DANA DRUCELLA SLOOP
 Development Name _____
 Scheduled Meeting/Decision Date 7-9-18

NOTICE: Notices were sent at least 20 days prior to the scheduled hearing, meeting, or decision date per Section 99.080 of the Community Development Code. (check below)

- TYPE A**
- | | | |
|----|---|----------------------------|
| A. | The applicant (date) <u>6-15-18</u> | (signed) <u>S. Shroyer</u> |
| B. | Affected property owners (date) <u>6-15-18</u> | (signed) <u>S. Shroyer</u> |
| C. | School District/Board (date) <u>6-15-18</u> | (signed) <u>S. Shroyer</u> |
| D. | Other affected gov't. agencies (date) <u>6-15-18</u> | (signed) <u>S. Shroyer</u> |
| E. | Affected neighborhood assns. (date) <u>6-15-18</u> <u>ALL</u> | (signed) <u>S. Shroyer</u> |
| F. | All parties to an appeal or review (date) _____ | (signed) _____ |

At least 10 days prior to the scheduled hearing or meeting, notice was published/posted:

Tidings (published date) 6-28-18; 7-5-18 (signed) S. Shroyer
 City's website (posted date) 6-15-18 (signed) S. Shroyer

SIGN

At least 10 days prior to the scheduled hearing, meeting or decision date, a sign was posted on the property per Section 99.080 of the Community Development Code.

(date) June 15, 2018 (signed) [Signature]

NOTICE: Notices were sent at least 14 days prior to the scheduled hearing, meeting, or decision date per Section 99.080 of the Community Development Code. (check below)

- TYPE B** _____
- | | | |
|----|---|----------------|
| A. | The applicant (date) _____ | (signed) _____ |
| B. | Affected property owners (date) _____ | (signed) _____ |
| C. | School District/Board (date) _____ | (signed) _____ |
| D. | Other affected gov't. agencies (date) _____ | (signed) _____ |
| E. | Affected neighborhood assns. (date) _____ | (signed) _____ |

Notice was posted on the City's website at least 10 days prior to the scheduled hearing or meeting.
 Date: _____ (signed) _____

STAFF REPORT mailed to applicant, City Council/Planning Commission and any other applicable parties 10 days prior to the scheduled hearing.

(date) _____ (signed) _____

FINAL DECISION notice mailed to applicant, all other parties with standing, and, if zone change, the County surveyor's office.

(date) _____ (signed) _____

p:\devrvw\forms\affidvt of notice-land use (9/09)

**CITY OF WEST LINN
CITY COUNCIL
PUBLIC HEARING NOTICE
ANNEXATION OF 6.47 ACRES AT 23190 BLAND CIRCLE

FILE NO. ANX-17-01**

The West Linn City Council is meeting on **Monday, July 9, 2018, starting at 6:30 p.m.** in the Council Chambers of City Hall (located at 22500 Salamo Road, West Linn, OR), to consider an annexation request for a 6.47 acre parcel at 23190 Bland Circle. The applicant also requested an R-7 zone designation, "single family residential detached and attached" with a 7,000 square foot minimum lot size. The area is identified by Clackamas County as assessor's map 2S 1E 35A tax lot 1100. The decision will be based on the criteria of Community Development Code (CDC), Chapter 81, West Linn Municipal Code 2.920-2.930 and Metro Code 3.09.045 and 3.09.050(D). The approval criteria from the CDC and Municipal Code are available for review at City Hall, at the City Library, and at <http://www.codepublishing.com/OR/WestLinn/CDC.html>. Metro Code "LOCAL GOVERNMENT BOUNDARY CHANGES" may be found at https://www.oregonmetro.gov/sites/default/files/2014/06/05/309_eff_071112_final.pdf. This annexation petition is subject to the expedited process unless a "necessary party" gives written notice of its objection to the boundary change. A "necessary party" is defined as any county, city, district, or unit of local government that includes any part of the affected territory: 1) in its jurisdictional boundary or adopted urban service area; or 2) in any agreement providing an urban service. All "Necessary parties" have been noticed.

Annexations go through a two-step hearing process. Step one was completed on February 12, 2018. At that hearing, the Council determined that the proposed annexation was consistent with the intent of the West Linn Comprehensive Plan and CDC Chapter 81. The Council assigned a zone designation of R-7 for the property. At the conclusion of step one, the Council passed a resolution placing the annexation request on a ballot for an advisory vote. The advisory vote was held on May 15, 2018 with 67 percent in favor.

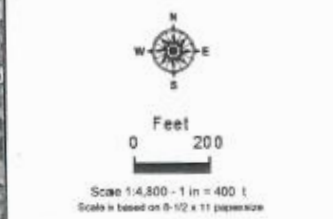
At the July 9, 2018, public hearing, the step two review for annexation proposals is a legislative or policy decision that applies the standards of West Linn Municipal Code 2.930.

The annexation application is available for inspection at City Hall or via the web site at <http://westlinnoregon.gov/planning/23190-bland-circle-annexation>. Copies of the annexation application can be obtained for a minimal charge per page. At least 10 days prior to the City Council meeting, a copy of the staff report will be available for inspection at no cost. For further information, please contact Peter Spir at 503-742-6062 or at pspir@westlinnoregon.gov

Failure to raise an issue in person or by letter at some point prior to the close of the meeting, or failure to provide sufficient specificity to afford the decision maker an opportunity to respond to the issue, precludes an appeal to the appellant body with jurisdiction based on that issue.

Publish: West Linn Tidings, Thursday, June 28 and July 5, 2018

23190 Bland Circle Notification Map



Map created by: SSHROYER
Date Created: 16-Jan-18 09:48 AM

WEST LINN GIS

DISCLAIMER: This product is for informational purposes and may not have been prepared for, or be suitable for, legal, engineering, or surveying purposes. Users of the information should review or consult the primary data and information sources to ascertain the usability of the information. Map scale is approximate. Source: West Linn GIS (Geographic Information System) MapOptis.



CITY OF West Linn

CITY OF WEST LINN NOTICE OF UPCOMING CITY COUNCIL PUBLIC HEARING

**PROJECT # ANX-17-01
MAIL: 6/15/18 TIDINGS: 6/28/18 & 7/5/18**

CITIZEN CONTACT INFORMATION

To lessen the bulk of agenda packets, land use application notice, and to address the worries of some City residents about testimony contact information and online application packets containing their names and addresses as a reflection of the mailing notice area, this sheet substitutes for the photocopy of the testimony forms and/or mailing labels. A copy is available upon request.