

CITY OF SALEM
Written Testimony
City Council

555 Liberty St SE
Salem, OR 97301

Monday, March 26, 2018

6:00 PM

Council Chambers

4. a. [18-132](#) Reconsideration of the Lone Oak Reimbursement District

Ward(s): 4

Councilor(s): McCoid

Neighborhood(s): South Gateway

Recommendation:

Affirm Lone Oak Road Reimbursement District to collect funds for reimbursement of the developer's costs associated with constructing Lone Oak Road SE between Muirfield Avenue SE and Rees Hill Road SE.

Attachments:

[File 18-32 - Staff Report from 1-22-18 Council Meeting](#)

[Written Testimony - Jerry Bennett on behalf of South Gateway Neighborhood Assoc.](#)

[3-26-18 Council Written Testimony 2](#)

[3-26-18 Council Written Testimony 3](#)

Add - Written Testimony

Amy Johnson

From: Jerry Bennett <jbestg@outlook.com>
Sent: Monday, March 26, 2018 4:20 PM
To: citycouncil
Subject: Fw: Tonight's hearing on Reimbursement District . . .
Attachments: City council testimony II March 26 jb.docx

I apologize . . . I made a couple of errors on the first attachment that would be hard to remedy at tonight's REIMBURSEMENT DISTRICT hearing. If you have time to replace it with this revision in the folders of the mayor, council, and manager, it would be greatly appreciated. Realizing how busy pre-council meetings can be for all support systems, I apologize again. Thanks. Jerry Bennett

From: Jerry Bennett <jbestg@outlook.com>
Sent: Monday, March 26, 2018 3:15 PM
To: citycouncil@cityofsalem.net; Chuck Bennett; smccoid@cityofsalem.net
Subject: Tonight's hearing on Reimbursement District . . .

For the official record for tonight's hearing, please find attached a copy of my summary inputs for the Council members' review. As shared earlier, our chairman, Glenn Baly, will not be able to attend tonight as he is required to be at a work-related meeting in the Bend area. But, his thoughtful written testimony presents the essence of overall presentation. For follow-up purposes, the SGNA board has appointed me as the board's representative. I'd appreciate receiving the five minute privilege for NA officers. (I promise to stay within the timeline!) Others may sign up, but to my knowledge other than myself, John Shepard is the only other SGNA member that intends to sign up, although Lora Meisner may choose to make comments.

Thanks for your time and civic contributions. Jerry Bennett

(Jerry Bennett, South Gate Neighborhood Association rep; 804 Creekside Dr. SE, Salem, Oregon, 97306)

I'm here as SGNA's representative to back up the RE-CONSIDERATION vote you approved 7-0 on Feb. 15, 2018. You received Chairman Glenn Baly's written testimony in advance – it represents the essence of our continuing concerns on the REIMBURSEMENT DISTRICT and specifies remedies.

It is obvious that someone still wants to build on the hills south of Creekside. When the City annexed and approved urbanizing the 300-plus acre Creekside farm land valley, the developer signed agreements to build all the roads through the subdivision. However, the most difficult and expensive road remains unfinished – that's the Lone Oak Road over Jory Creek and south up the hill. The City has approved a reimbursement district to help push the project forward. SGNA opposes this plan. The following anecdotes cover some objections:

1. SGNA was not consulted on this multi-faceted "LAND DEVELOPMENT" proposal. Zero input!
2. Going back to 1992, the developmental plans appear to have progressive flaws in supervision and performance – with the City making concession after concession. The development is now in the 14th phase.
3. The District is messy. It would not meet the criteria for a bonafide ballot measure – there are too many peripheral issues to be addressed. Too, the proposed 20-year District is designed for the City to transfer funding responsibilities from developers to homeowners and taxpayers. But, it may be detrimental to future Councils.
4. The District does not have a defensible business plan as it is open ended with no plausible funding guarantees. The City will, however, recover expenses and gain from increased property tax revenues.
5. A large part of the proposed funding depends on the failure of Creekside HOA's appeal in the appellate court to determine if its covenants are valid or if the owners have the right to close the golf course for development purposes. However, there's a "Catch 22": The owners have repeatedly committed to the "Member Strong Group" to keeping the course open, if it's profitable. Do we need a LUBA ruling on impartiality?
6. The District's 210 mythical lots on Creekside Golf Course will not resolve the District's funding needs. It takes 800+ new homes at a \$10,000 tax or fee assessment per unit to raise the \$9m cost projection – it's not possible! But, the City could retrieve \$1m of taxpayer money that it invested early on to help move the project to completion so that available SW farm lands can be annexed and developed.
7. The land use plan for the project included Jory Creek Bridge, located on three acres in a regulated wet land that SRC: 140.090(b) required extensive protections by the developer – who aborted the project in 2007. Please note: the 210 building sites on the 155 acre valley known as Creekside Golf Course has wet lands, water shed, and environmental areas from Lone Oak Road to the Sunnyside Road; its three creeks are the main source of downstream flooding from Creekside to Turner and down town Salem. This land also represents the major recreational site for SE Salem and it is Salem's only golf course – it has championship status.
8. The Public Works Dept.'s SUMMARY RECOMMENDATIONS specify: "These improvements benefit neighboring properties because of improved connectivity and accessibility." But, it doesn't explain the benefits and ignores obvious traffic, safety, water shed, aquifer challenges. It explains in A4: " . . . that it, Creekside Golf Course – would benefit from the Lone Oak improvements." But, again, it doesn't explain the benefits!"

The bottom line? There is no valid reason for the Reimbursement District. The Creekside developer(s) and two other developers on the hill need the un-built southern section of Lone Oak Road. I'm a big fan of "**pay as you go**" When the developers are actually required to have an approved road in place in order to secure City approvals and building permits, they will figure out how to pay for it and build it without public subsidy.

WE AGAIN ASK THAT YOU RESCIND THE PROPOSAL Given time, the DEVELOPERS WILL COME!