

CITY OF SALEM
Written Testimony
City Council

555 Liberty St SE
Salem, OR 97301

Monday, September 9, 2019

6:00 PM

Council Chambers

4. b. [19-409](#)

Reconsideration of City Council's denial to form the Aspen Grove Reimbursement District.

Ward(s): 8

Councilor(s): Jim Lewis

Neighborhood(s): West Salem Neighborhood Association

Result Area(s): Safe, Reliable and Efficient Infrastructure.

Attachments: [Resolution - Aspen Grove Reimbursement District](#)

[Exhibit 1 - Aspen Grove Reimbursement Application](#)

[Exhibit 2 - Aspen Grove Reimbursement District Boundary](#)

[Exhibit 3 - Properties within District Boundary](#)

[Aspen Grove Sewer Reimbursement Certification of Costs](#)

[Cost Allocation Map](#)

[Written Testimony](#)

[Written Testimony 1](#)

Add - Written Testimony

Re: Agenda Item 4.b
Aspen Grove Reimbursement District Formation

Notice: SRC Sec 200.300 states the notice requirements for formation of a Reimbursement District. "The City shall notify the developer and all property owners within the reimbursement district of adoption of the resolution establishing the reimbursement district.

The Application for Reimbursement District Formation dated June 18, 2014, shows properties identified as Map Nos. 073150000603 and 073150000700 as owned by Herbert E Shaw and Joan E Shaw, and implies Notice was provided to them. Mr. Herbert E. Shaw has submitted testimony that he did not receive notice of the Reimbursement District Formation. The properties were sold February 19, 2019 to Paige N. Meier and Dorothy J. Easley. There was no reference to the Aspen Grove Reimbursement District in the Title Report for the sale of the property.

None of the improvements for which the developer seeks reimbursement are adjacent to or abut tax map lots 073150000603 and 073150000700.

The reimbursement district ordinance requires the developer submit an application which defines the boundaries of a reimbursement district but gives no criteria for establishing the boundaries. The ordinance requires the Public Works Director to evaluate the application, but again gives no criteria for establishing which properties should be included in a reimbursement district.

The ordinance appears to work in conjunction with Systems Development Charge methodology but offers conflicting purposes. The liabilities of the district have been described as pass-through credits on one hand, and future infrastructure funding source in addition to SDCs on the other hand. The latter meaning raises questions of fairness. This is confounding.

None of the improvements for which the developer seeks reimbursement are adjacent to or abut tax map lots 073150000603 and 073150000700. Depending upon the purpose of the reimbursement district, these properties could be paying more than their fair share for attaching to the City's infrastructure.

A model for fairly understanding cost and benefits might be that of a condominium. Condominiums have common elements, limited-common elements, and private elements. Common elements serve all. Limited common elements serve part of the whole. Private elements serve only the individuals served.

Without a clear connection of tax map lots 073150000603 and 073150000700 to the system, it is difficult to ascribe a common element benefit to them. For these properties to attach to the system they will have to pay for construction of private elements on their land and common or limited common elements to the existing development.

Without a current benefit specific to these properties, the cost liability is a tax, not a fee.

Suggestion:

- 1) Develop criteria for inclusion of properties in Reimbursement Districts.
- 2) Revisit the enabling ordinance to provide clear criteria for inclusion of properties in a reimbursement district.
- 3) Clarify the purpose of the reimbursement district.
- 4) If a liability or potential liability against a property is created by a reimbursement district establish clear procedures for recording the liability in the public record.

Respectfully submitted,

A handwritten signature in black ink, reading "Kathleen Dewoina". The signature is fluid and cursive, with a large initial "K" and a stylized "D".

Kathleen Dewoina, Broker
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