

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

Study Session Worksheet

Presentation Date: September 6, 2011 **Time:** 1:30 p.m. **Length:** 1 hour
and continued to September 7, 2011 @ 8:00-9:00am (approximately)

Presentation Title: Discussion of Policy Choices as to an Urban Renewal Measure

Department: County Administration

Presenters: Dan Chandler, Strategic Policy Administrator
Cam Gilmour, Director, Department of Transportation and Development
Scot Sideras, Legal Counsel, Senior

POLICY QUESTION

Does the Board wish to present a measure calling for local approval of a proposed urban renewal plan or the substantial amendment of an existing plan to the voters for the November 8 election?

ISSUE & BACKGROUND

On August 24, 2011 the Clerk certified Petition 3-371 as a measure which will appear on the November 8 election. Petition 3-371 is an initiative measure which, if approved by the voters, would amend the Clackamas County Code so as to change the County's implementation, administration, amendment, and termination of its urban renewal plans.

Staff has been directed to draft an alternative measure for the Board's consideration that:

- Makes the choice as to urban renewal a local question, on the reasoning that decisions about investments and improvements in a local area should be made by the voters and property owners in that area; and
- Directly addresses concerns as to urban renewal, such as the life of urban renewal plans; their effect on other taxing districts, such as schools and fire districts; the selection of projects; and the projects' relationship to private investment.

These points have been incorporated into a draft alternative measure that may, according to the Board's deliberations and decision, be referred to the voters for the November 8 election. A copy of the alternative measure is included with this Worksheet.

QUESTIONS PRESENTED FOR CONSIDERATION

- Should the draft alternative measure be carried forward for a public hearing and consideration by the commission?
- Are there changes that should be made to the draft alternative measure at this time?

BEFORE THE BOARD OF COUNTY COMMISSIONERS
OF CLACKAMAS COUNTY, STATE OF OREGON

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WHEREAS, the County has determined that the issue of urban renewal within the unincorporated areas of Clackamas County shall be referred to the electors to decide;

NOW, THEREFORE, BE IT RESOLVED THAT the following measure shall be referred to the County electors to decide whether or not to amend the Clackamas County Code.

Chapter 3.03 VOTER AND PROPERTY OWNER APPROVAL OF URBAN RENEWAL

3.03.010 Definitions

As used in this Chapter:

- A. "Urban renewal plan" and "plan" have the meaning given those terms in ORS Chapter 457 as it now exists or may hereafter be amended, or a similar plan adopted under any other provision of law.
- B. "Substantial amendment" shall have the same meaning given those terms in ORS Chapter 457 as it now exists or may hereafter be amended, or a similar plan adopted under any other provision of law.
- C. "Urban renewal indebtedness" shall have the same meaning given this term in ORS Chapter 457 as it now exists or may hereafter be amended, or a similar plan adopted under any other provision of law.

3.03.020 Approval at a General Election

A county urban renewal agency shall not be activated or authorized to exercise additional powers without the approval of county electors at a general election.

3.03.030 Voter and Property Owner Approval of Urban Renewal

Every new urban renewal plan, or substantial amendment to an existing plan, shall be approved by the voters and property owners within the plan area according to the following procedure:

- A. In addition to the notice requirements of ORS 457.120, notice of any proposed urban renewal plan or substantial amendment to an existing plan shall be sent to each owner of real property within the boundaries of the proposed plan or the existing plan proposed for substantial amendment. This notice shall inform the property owners of their opportunity to remonstrate against the formation of the new plan or substantial amendment to an existing plan. No new plan may be formed, and no existing plan may be substantially amended, if 51% or more of the property owners object. Objections must be filed within 21 days of the date the notice was mailed.

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- B. If less than 51% of the property owners within the boundaries of the proposed urban renewal plan or an existing plan proposed for substantial amendment object, the Board of County Commissioners shall proceed to set the question of the proposed urban renewal plan or substantial amendment of an existing plan to a vote by the electors residing within the boundaries of the proposed plan or the existing plan proposed for substantial amendment.
- C. If the vote of the electors residing within the boundaries of the proposed plan or the existing plan proposed for substantial amendment approves the question of the formation of the new plan or substantial amendment of an existing plan, the Board of County Commissioners shall adopt the urban renewal plan, or substantially amend the existing plan, by ordinance.

3.03.040 Limitations on Urban Renewal Plans and Substantial Amendments to Plans.

All new urban renewal plans, and substantial amendments to existing plans, shall demonstrate:

- A. That the plan's projects were selected on the basis of demonstrated community involvement and support.
- B. That the life of the urban renewal plan or amendment to the plan is linked to the completion of the plan's projects.
- C. That no new taxes are imposed.
- D. That the revenues and other resources available to overlapping taxing districts, including schools and fire districts, are likely to be sufficient to meet any additional demand caused by plan-supported development .
- E. That the plan or plan amendment uses a substantial amount of its revenues to fund public projects that encourage private investment.

3.03.050 Approval By Ordinance

No urban renewal plan shall be created, and no existing plan shall be amended, by any means other than by ordinance. No emergency ordinances shall be used to create an urban renewal plan or amend an existing plan.

3.03.060 Termination of Urban Renewal Agency

Upon the retirement of all urban renewal indebtedness authorized by urban renewal plans the purpose of the county's urban renewal agency shall cease and it shall be terminated. Any continuing obligations or rights of a terminated agency shall be assumed by the County.

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3.03.070 Severability

In the event any section, subsection, phrase, clause, sentence, or word in this chapter is for any reason held invalid or unconstitutional, such holding shall not invalidate the remainder of the chapter, but shall be confined to such section, subsection, phrase, clause, sentence or word. In the case of conflict between the provisions of this chapter and any alternative provisions of the Clackamas County Code, the provisions having received the lesser number of votes in any referral of the measure to an election shall be void.

DATED this 8th day of September, 2011.

CLACKAMAS COUNTY BOARD OF COMMISSIONERS

Chair

Recording Secretary

Options for Consideration:

3.03.35 Exemption

The provisions of Section 3.03.030 do not apply to any proposed urban renewal plan which authorizes less than fifteen million dollars in urban renewal indebtedness, and has an expected term of less than twenty years.

Commentary: This option has been mentioned by at least two Commissioners. A point which must be noted is that it opens the measure to the challenge that it is the thin edge of the wedge, in that the County could either expand this section of the ordinance by amendment beyond the limits of \$15 million/twenty years, or else over time create a series of small, exempt districts that together amalgamate into a "superdistrict".