

THE URBAN RENEWAL AGENCY OF THE CITY OF WILSONVILLE

RESOLUTION NO. 69

A RESOLUTION OF THE URBAN RENEWAL AGENCY OF THE CITY OF WILSONVILLE AUTHORIZING \$30,000 LOAN FOR SYSTEMS DEVELOPMENT CHARGES TO AID KNAPP OLD TOWN VILLAGE TO PROMOTE AND DEVELOP ARCHITECTURAL THEME, CONTINUITY AND COMPATIBILITY IN OLD TOWN AREA.

WHEREAS, the Urban Renewal Agency has heretofore adopted The Year 2000 Plan, an Urban Renewal Plan and Program of the City of Wilsonville pursuant to Ordinance No. 373; and

WHEREAS, the Old Town area is an area within the City's Urban Renewal Plan area; and

WHEREAS, the City's Urban Renewal Plan, Section 608C at Page 26, provides:

"The Agency may prepare and adopt design standards, themes, guidelines and implementation procedures that would be applied in various sectors of the Urban Renewal Area as the Agency deems appropriate to:

- "1. Assure architectural continuity and compatibility in new or remodeled buildings that are located in areas in which buildings with unique and distinctive historical or architectural character exists.
- "2. Advance the role of the Willamette Riverfront as a unique element of visual and civic value to the City and to the properties which abut the River. Promote the development and redevelopment of these abutting properties so as to advance and protect these values; and
- "3. Assure that the developments on the large vacant lands within the Urban Renewal Area will have a design consistency and will advance the objectives of this Urban Renewal Plan.";

WHEREAS, the City's Urban Renewal Plan, Section 608G at Page 27, specifically provides "the Agency shall have all the powers and responsibility allowed under the provisions of ORS Chapter 457", and ORS 457.180(7) provides urban renewal agencies the general power to engage in community development activities specifically delegated to it by the City including, but not limited to, the making of loans; and

WHEREAS, through a series of meetings, a citizens charette, and the initial proposal for the development of a large parcel within the Old Town area by Fred Meyer, a design theme was developed in keeping with certain buildings of distinctive or architectural character within the Old Town area and to provide an architectural compatibility and consistency along Boones Ferry Road within the Old Town area and as an entryway to the Willamette River and the historic Boones Ferry Landing; and

WHEREAS, Tim and Melodee Knapp are the first to develop their property along Boones Ferry Road, which development is referred to as the Knapp's Old Town Village and are developing their property in keeping with the Old Town development theme and design; and

WHEREAS, the Board of the Urban Renewal Agency of the City of Wilsonville finds that the design quality of the Tim and Melodee Knapp Old Town Village sets the desired standards and theme for urban renewal development for the Old Town area of Wilsonville, an area within the Urban Renewal Plan, and will assure architectural continuity and compatibility in new or remodeled buildings in the Old Town area which contains buildings with unique and distinctive historical or architectural character, will assure developments on large vacant lands within the Old Town area will have a design consistency and advance the objective of the Plan, and advance and protect the role of the Willamette River by enhancing the value of the visual approach to the Willamette River. (Urban Renewal Plan, Section 608C at Page 26); and

WHEREAS, Tim and Melodee Knapp have previously requested installment payments of City Systems Development Charges (SDCs) for streets, water, storm drainage and sewer in the sum of \$30,000 so that they could complete their project, and based upon the recitals above the completion of the project is in the public interest for the urban redevelopment of the Old Town area of Wilsonville; and

WHEREAS, ORS 223.205 to 223.775 provides a financing and assessment scheme for public improvements and includes application to "[a] system development charge designed to finance the construction extension or enlargement of a street, community water supply, storm sewer or sewage or disposal system * * * " (ORS 223.208(1)(a) and that "* * * the financing of systems development or finance charges under this section may, at the option of the governing body, be a second lien or real

property, which lien shall be inferior only to the mortgage or other security interest held by the lender of the owner's purchase money * * * " (ORS 223.208(2)); and

WHEREAS, W.C. 3.210 to 3.294 provides procedures for local improvements and special assessments and W.C. 3.246(4) provides:

"Nothing contained in this section shall preclude the Council from using other means of financing improvements, including federal and state grants-in-aid, sewer charges or fees, revenue bonds, general obligation bonds, or other legal means of financing. If other means of financing are used, the Council may levy special assessments according to benefits derived to cover any remaining cost. (*Added by Ordinance #350, May 15, 1989*)"; and

WHEREAS, Ordinance No. 386, regarding system development charges, provides in Art. VII, Section 4:

"A systems development charge shall be paid in cash when due, or in lieu thereof, the City Manager may accept the delivery of a written agreement to pay if the written agreement is secured by collateral satisfactory to the City Manager or his/her designee. The collateral may consist of mortgage or trust deeds of real property, or an agreement secured by surety bond issued by a corporation licensed by a State law to give such undertakings, or by cash deposit, letter of credit, or other like security acceptable to the City Manager."; and

WHEREAS, the Urban Renewal Agency has been provided information sufficient to determine that equity in the Knapp Old Town Village after the permanent financing on the property is placed, taxes and fees will be well in excess of two times a \$30,000 loan, proposed to be secured as a second lien; and

WHEREAS, based on the recitals above, the Board further finds that it has the authority to loan \$30,000 to the City of Wilsonville SDC funds to provide financing for SDCs for Tim and Melodee Knapp's Old Town Village and that the City has a means through assessment and installment payments secured as a second lien of the Knapp Old Town Village property to repay the loan; and

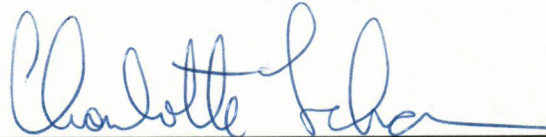
WHEREAS, the Urban Renewal Board also finds that 7.5% per annum interest inclusive of a 1% administrative charge on the outstanding loan principal is a reasonable and appropriate interest and charge to be applied given that Urban Renewal Agency contracts with the City of Wilsonville for its financial administration, which for such financing will be charged to the Urban Renewal Agency at the rate of 1% per annum on

the outstanding loan principal by the City. The term shall be ten years and shall be paid in semi-annual installments.

NOW, THEREFORE, THE URBAN RENEWAL AGENCY OF THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

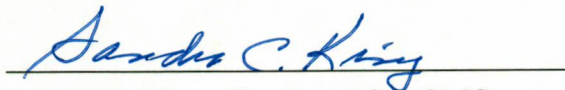
1. Based upon the above recitals and findings, the Urban Renewal Agency shall provide a loan of \$30,000 at 7.5% per annum, inclusive of 1% for administration, for a term of ten years with semi-annual installment payments to the City of Wilsonville Systems Development Funds for the financing of Tim and Melodee Knapp's systems development charges for their Old Town Village project; provided, the City shall assess the Knapps as owners of the Old Town Village property an amount equal to the principal, interest and term of the above stated loan as an assessment and place a second lien against their Old Town Village property for security. Up to 1% of the 7.5% per annum interest may be off-set by the City of Wilsonville for administration supplied to the Urban Renewal Agency in this matter. Upon receipt of payments by the Knapps, the City shall promptly forward said payments to the Urban Renewal Agency, less the administration charge. In the event the City shall foreclose upon the lien any funds recovered less the costs of any legal expense of foreclosure shall be promptly forwarded by the City to the Agency.

ADOPTED by the Wilsonville Urban Renewal Agency at a special meeting thereof this 18th day of January, 2001, and filed with the Wilsonville City Recorder this date.



CHARLOTTE LEHAN, Chair

ATTEST:



Sandra C. King, City Recorder, CMC

SUMMARY OF VOTES:

Chair Lehan	Excused
Board Member Helser	Yes
Board Member Barton	Yes
Board Member Kirk	Yes
Board Member Holt	Yes