

**MEMORANDUM**

TO: Mayor and City Council

FROM: Howard P. Schesser, Community Development Director

SUBJECT: REQUEST TO EXTEND THE ECONOMIC IMPROVEMENT  
THE BUSINESS IMPROVEMENT DISTRICT FOR A FIVE  
YEAR PERIOD

DATE: August 3, 2016

Background

The Economic Business Improvement District (EBID) in their meeting on February 9, 2016 decided to request that City Council consider the extension of the Economic Improvement District and the Business Improvement District. Council created two Districts in 2001 for a three year period subject to extension of the time not to exceed 5 years. Participation is voluntary but under state statute the business owner or property owner must remonstrate in writing to not participate. Since 2003 the Districts have been extended four times. The last time Ordinance No. 3037 extended the Districts in 2013 and will expire on December 8, 2016. ORS 223.112 to ORS 223.161 authorizes the City to establish and extend the formation of the Economic Improvement District (EID) and the Business Improvement District (BID), to perform economic and business improvement projects and to finance it with assessments to property and businesses.

The EBID Board is requesting that the Districts be extended as noted below:

1. That both the EID & BID be extended for a five year period,
2. That the boundaries of the EID & BID districts remain the same (map showing the two tiers is attached), and
3. That the assessment for the EID & BID districts remain the same which are:

-Economic Improvement District: The EID is proposed to be a two-tier district.

Tier 1: Property owners will pay \$0.05 (5 cents) a square foot a year with a maximum of \$500 and a minimum of \$100.

Tier 2: Property owners will pay \$0.02 (2 cents) a square foot a year with a maximum of \$300 and minimum of \$100.

-Business Improvement District: The BID will have a flat rate of \$50 per business year.

The fact sheet that was used in 2013 has been updated and is attached for your information.

The process involves the setting of a public hearing, notification of all property owners and business owners in the districts and giving them an opportunity to remonstrate. The first public hearing will consider extension of the time for the districts by five years, and

the second public hearing, after the required notification will consider the assessment amount for the two Districts.

The proposed schedule for consideration would be:

September 2nd	- Mailing of 1 <sup>st</sup> Public Hearing Notice
October 10th	- 1 <sup>st</sup> Public Hearing & First Reading of Ordinance
October 13th	- Mailing of 2 <sup>nd</sup> Public Hearing Notice
November 14th	- 2 <sup>nd</sup> Public Hearing & 2 <sup>nd</sup> Reading of Ordinance
December 18 <sup>th</sup>	- Adoption Notice Published

### Recommendation

That the schedule for consideration of extension of the EID & BID for five years be approved.

### Cost

Advertising, mailing & staff time.



---

Richard Meyers, City Manager



---

Howard P. Schesser, Community  
Development Director



**FACT SHEET**  
**EXTENSION OF FIVE YEAR TERM FOR EID/BID**  
**AUGUST 2016**

**Remonstrance:** If you are **NOT** favor of the EID and/or BID, State statute requires that you remonstrate in writing. Written objections can be delivered at the public hearing, or mailed/delivered to Community Development Department, 400 E. Main St., Cottage Grove, OR 97424.

The remonstrance (written objection) shall provide the following information to insure accurate recording:

- Date,
- Name of the property owner (if objecting to the EID),
- Name of business owner (if objecting to the BID),
- Tax lot number of the subject property,
- Address of the subject property,
- That you are objecting to the formation of the appropriate district, and
- Signature of the property and/or business owner.

All remonstrances shall be done prior to or at the Public Hearing scheduled for October 10, 2016 at 7:00 PM

**Boundaries:** The boundaries of the two districts are identical and a map is attached showing the boundaries. These boundaries are the same as the existing EID and BID districts. See the attached map.

**Proposed Assessment:**

- Economic Improvement District: The EID is proposed to be a two-tier district.
  - Tier 1: Property owners will pay \$0.05 (5 cents) a square foot a year with a maximum of \$500 and a minimum of \$100.
  - Tier 2: Property owners will pay \$0.02 (2 cents) a square foot a year with a maximum of \$300 and minimum of \$100.
- Business Improvement District: The BID will have a flat rate of \$50 per business year.

-Clarification of Assessments:

- If you are a property and a business owner you will not pay the BID assessment.
- If you are a property owner with contiguous property you will only pay one EID assessment.
- If your property is residential you will NOT pay any assessment.
- If your property is mixed use and has residential apartments then you will pay a proportionate share of the non-residential use of the EID assessment.

This notice includes the proposed assessment for each business owner and property owner that has not remonstrated.

Administration of the Districts:

- The assessments collected will be spent by an elected Board of Directors of the EBID District.
- The Board of Directors is composed of 7 members who are property owners and business owners.
- The Board of Directors is to have 4 members that are elected from Tier 1 and 3 members elected from Tier 2.
- The Board will serve both districts.
- The Board, NOT the City, will make decisions on the expenditure of the assessments raised.**

For information regarding the *public hearing or remonstrance process* please call the Community Development Department at (541) 942-3340.

For information regarding the *EID, BID, and/or their activities please call the Chairman of the Board, Jim Gilroy, 541-334-5810 or email: [jgilroy@bannerbank.com](mailto:jgilroy@bannerbank.com).*

