



City of Fairview Urban Renewal Agency

Utility System Development Charges (SDC)

Assistance Program

Adopted May 15, 2019

1. Program Overview

1.1: Purpose of the Program

The purpose of the Utility System Development Charges Assistance Program (Program) is to encourage development in the urban renewal area through full or partial payment of Fairview Utility System Development Charges (SDCs) with urban renewal revenue. Specifically, the Program goals are to increase live-work facilities, owner-occupied housing, and senior/elderly housing, and commercial and industrial businesses in the urban renewal area.

SDCs are used to provide funding for planning and infrastructure costs of growth. Though SDCs are generally a small portion of costs associated with development, alleviating these costs for developers may create an incentive for development to happen in the city and/or incentivize the specific development goals desired by the community.

1.2: Program Description

The Urban Renewal Agency (Agency) will incentivize specific developments that meet program criteria by agreeing to pay for the water, sanitary sewer and storm water SDCs assessed by each of these utilities. Parks and Open Space SDCs, and Water SDCs in the Rockwood Water PUD, are not included in the Program.

The Program provides utility SDC assistance whereby the Agency will pay SDCs for approved projects that meet at least one development criteria identified by the Agency. SDC assistance is subject to budget availability. Applicants for this Program must submit a Program application on the form provided by the Agency and must include all support material required.

1.3: Eligible Projects

The following development types, as identified in the City's Development Code (FMC 19) may receive SDC assistance (applicable SDC fees will be paid by the Agency) based on compliance with Program criteria identified by the Agency:

- Commercial and Industrial Developments:
- Mixed-Use Developments (assistance only provided for SDCs associated with the commercial component of the development)
- Owner occupied residential
- Senior developments that transition from independent living to skilled nursing:

1.4: Project Ineligible for the Program

The Agency has determined the below projects in Table A are ineligible for SDC assistance through this Program.

Table A: Ineligible Projects

<ul style="list-style-type: none"><input type="checkbox"/> Developments exempt from property taxes<input type="checkbox"/> Residential developments that are non-owner-occupied including duplexes and apartment complexes, unless they qualify as senior facilities that transition from independent living to skilled nursing.<input type="checkbox"/> Developments that use Enterprise Zone or Vertical Housing tax incentives

1.5: Applicant Eligibility for the Program

To be eligible to apply for SDC assistance under the Program, an applicant shall meet the minimum application qualifications in Table B.

Table B Applicant Minimum Qualifications

<ul style="list-style-type: none"><input type="checkbox"/> Provides a statement that demonstrates the benefits the proposed eligible project will provide for the Fairview Urban Renewal Area.<input type="checkbox"/> Receive land use approval for project.<input type="checkbox"/> Any other documentation required by the Agency or City staff.

1.5: Program Criteria

In addition to the applicant meeting the minimum qualifications in Table B, eligible projects must conform to the Program criteria as defined by the Agency. These criteria are provided to assure compatibility with the Fairview Urban Renewal Plan funding criteria. All applicants who provide the Agency with eligible projects that meet at least one Program criteria may be eligible to receive SDC assistance.

Eligible projects include industrial, commercial and residential mixed-use developments located within the urban renewal area (*see map attached*). Individual residencies are not eligible for funding under this program, unless they are owner-occupied or they qualify as senior facilities that transition from independent living to skilled nursing.

Eligible projects must demonstrate compatibility with at least one of the following Program criteria:

Table C Program Criteria

<ul style="list-style-type: none"><input type="checkbox"/> Development is located in the Village Mixed Use Zone, Village Office Zone or Town Center Commercial Zone as defined under the Fairview Municipal Code and must be located along Halsey Street in the urban renewal area.<input type="checkbox"/> Development creates jobs (including self-employment) within one year of issuance of certificate of occupancy for the project.<input type="checkbox"/> Development increases the number of Live/Work (where the owner of the business lives in the structure) buildings in the urban renewal area.<input type="checkbox"/> Development increases owner-occupied housing (where the owner of the new structure lives in the new structure): including single-family detached houses (FMC 19.13.190), single-family attached houses (townhouses, and condominiums)(FMC 19.13.190), which remain owner-occupied for five years as demonstrated by a restrictive covenant on any properties that are part of the project.<input type="checkbox"/> Development provides a senior facility that transitions from independent living to skilled nursing.

2. Utility System Development Charges (SDC) Assistance Program Application Process

2.1: Time Frame

Applicants shall apply for the Program by submitting a completed application to the City no sooner than upon completion of the land use pre-application requirements (FMC 19.412.010) or no later than 10 days prior to applying for building permits, but prior to paying for and issuance of the permit and beginning construction. The City requires up to 10 business days to review and process applications.

2.2: Submittal Requirements

To apply for the Program, an applicant shall complete the following steps and submit the required documentation:

- 1) Complete initial Staff Consultation review of proposed project for program eligibility. To set up a Staff Consultation contact Senior Planner Sarah Selden at (503) 674-6242 or seldens@ci.fairview.or.us.
- 2) Complete City Application. Upon completion of the land use pre-application requirements, the applicant may apply to the Utility SDC Assistance Program. The City will then inform the applicant of eligibility for the program prior to approval of land use application. The SDC Assistance applicant is then placed in a queue to receive SDC assistance. The applicant may receive SDC assistance upon application for the building permit.
 - a) The application should be accompanied by the following documentation:
 - i) Statement of development activity
 - ii) A legal property description
 - iii) Proof of ownership or site control
 - iv) A site plan
 - v) Tax/Plat Map indicating lots to be developed and proof of lot segregation as necessary
 - vi) The estimated SDC costs from a consultation with the City Permit Tech
 - vii) A City-provided form indicating that the applicant will not be applying for either the Enterprise Zone or Vertical Housing Development Zone programs.
 - viii) Commitment of owner-occupancy, in residential unit being assisted under the program, for at least five years as demonstrated by a restrictive covenant approved by the Agency on any properties that are part of the project
 - b) Your application must be complete in order to be reviewed.
- 3) Tentative Approval Letter. Staff will review application for completeness and eligibility. The City will inform the applicant if they are eligible for the Program, through a tentative approval letter, prior to approval of land use application. The applicant is then placed in a queue to receive SDC assistance. The applicant will receive SDC assistance upon application for the building permit if funds are available.

Final Approval: The applicant must present the Letter of Tentative approval to the City when building permits for the project are applied for. At that time, staff will determine availability of funds for projects and give final approval of urban renewal assistance.

3. Review and Award Process

3.1: Agency Review

Applications will be reviewed to assure an equitable process and that all aspects of the Program guidelines are addressed. After review, City staff will make a decision to either approve or deny the application. If the application is denied, the applicant has the opportunity to appeal the decision to the Agency.