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MEMORANDUM

## Regulatory Strategies Memo (Task 2.3) – FINAL Dundee Riverside Zoning Code

DATE August 10, 2018  
TO Project Management Team  
FROM Matt Hastie, Angelo Planning Group

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### INTRODUCTION

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The purpose of this memo is to provide guidance to the City of Dundee in addressing issues related to implementation of the Dundee Riverside District Master Plan (RDMP) and development of the Riverside District, particularly related to public facilities. These issues go beyond the scope of the development code to include who will build and pay for the public facilities. While there are relatively few property owners in the Riverside District today, it is not in single ownership, and there are certain facilities needed to serve the area as a whole. One of the key goals of this memo is to identify ways that the City can ensure that needed public facilities are built and that the costs of those facilities are shared fairly among property owners / developers based on the proportionate demand for the public facilities generated by each development.

*NOTE: APG is not a law firm and therefore cannot provide legal advice. This memorandum is intended for general information. The City should discuss these issues with its legal counsel.*

### SHARING THE COSTS OF INFRASTRUCTURE

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#### Shared Public Facilities

There are a number of public facilities needed to serve the Riverside District as whole that may not be distributed evenly throughout the area.

#### Streets

The RDMP identifies a need for the several types of transportation improvements to serve the Riverside District. Key improvements listed in the RDMP that have not been addressed by the construction of the Bypass and related improvements are summarized in Table 1, along with how they are treated in the City's Transportation System Plan (TSP), which was updated and adopted in 2015 (following the RDMP and further clarity about the Bypass improvements). Note that phasing

of these improvements is discussed in the RDMP and not repeated here (not all improvements are needed in the short term).

*Table 1: Planned Street Improvements in Riverside District - RDMP and TSP*

<b>STREET IMPROVEMENT FROM RDMP</b>	<b>HOW APPEARS IN TSP</b>
North-South Parkway collector road (includes a stream crossing)	Possibly Funded project (funding assumed to be two-thirds development, one-third City funds) <sup>1</sup>
5 <sup>th</sup> /8 <sup>th</sup> Street extension / improvements	Improvements to 8 <sup>th</sup> Street (other than the segment built by ODOT as part of the Bypass), including adding bike lanes, included as a Possibly Funded project (funding assumed to be 80% development, 20% City funds) <sup>1</sup>
Improve Edwards Road north and south of 8 <sup>th</sup> Street to meet collector standards	Sidewalk improvements to Edwards Drive from 8 <sup>th</sup> Street to Parks Drive included as a Possibly Funded project (funding assumed to be 50% development, 50% City funds); <sup>1</sup> full improvements to collector standards included as an Aspirational project <sup>2</sup> . No improvements planned for Edwards Drive from 8 <sup>th</sup> Street north to 6 <sup>th</sup> Street, where there are existing sidewalks.
Improve Parks Drive to a collector street standard	Full improvements to collector standards, including sidewalks, are included as an Aspirational project. <sup>2</sup>
Railroad crossing improvements at 5 <sup>th</sup> Street	Shown on the project map but timing/funding is not indicated
Railroad crossing improvements at Parks Drive	Included as a “Possibly Funded” project (funding assumed to be one-third each from development, City funds and ODOT) <sup>1</sup>
A new traffic signal at Parks Drive and OR 99W	Not included in the TSP due to the fact that the collector out to 99W is to be located at 11 <sup>th</sup> .

<sup>1</sup> City funding for projects on the “possibly funded” list is beyond what the current sources are expected to produce, and not available unless the City develops new revenue sources. Potential new revenue sources identified in the TSP include grants, urban renewal districts, LIDs, lodging tax, local gas tax increase, a street utility fee, or a transportation system development charge.

<sup>2</sup> Aspirational projects are not reasonably expected to be funded by 2035, but have City support if funding does become available.

## Trails

The RDMP calls for a trail system in the Riverside District, which is summarized below, along with how those trails are treated in the 2015 TSP.

*Table 2: Planned Trail System Improvements in Riverside District - RDMP and TSP*

TRAIL FROM RDMP	HOW APPEARS IN TSP
Trail along the 8 <sup>th</sup> Street extension (part of the Chehalem Heritage Trails system)	Shared-use path “S1” connects from the end of 6th street to 8th Street where it turns to cross the Bypass (this reflects the changes to the alignment of what was going to be a 5th Street extension, but is now a continuation of 8th Street, to provide a direct connection for the planned Chehalem Heritage Trail segment). The TSP also includes planned bike lanes along 8 <sup>th</sup> street in the Riverside District.
Greenway trail along the edge of the river, outside the UGB and the study area for the current development code update project	Not included in TSP (outside UGB)
Potential bicycle/pedestrian connection under the Bypass between the corner of the Wastewater Treatment Plant and the western edge of the Bypass	Shared-use path “S7” connects from Edwards Drive at 10th Street to the City’s Wastewater Treatment Plant, including a planned Bypass undercrossing
“Green seam” <sup>3</sup> with trails and stormwater along the western edge and part of the eastern edge of the Bypass	Not included in TSP; however, CPRD reports that they do have access along the Bypass for future trail construction.
“Green seam” with trails and stormwater along the edge of Fulquartz Landing Road inside the UGB	Not included in TSP

<sup>3</sup> As described in the Riverfront Master Plan (RMP), “green seam” corridors are generally intended to include some combination of trails or multi-use pathways, stormwater management facilities, and buffers for adjacent riparian corridor resources where they exist. As noted in the RMP, the width of green seam corridors can vary, depending on which of these specific functions they serve. For example, as noted in this table, the design of the green seams along the edge of a view corridor or riparian area will differ from those adjacent to a roadway such as Fulquartz Landing Road. As noted elsewhere in this document, the green seams along Fulquartz Landing Road may simply include the landscaping area and sidewalk or pathway incorporated in the City’s street standards. In addition, they also could include stormwater management facilities, depending on the approach to stormwater management undertaken in that area.

TRAIL FROM RDMP	HOW APPEARS IN TSP
“Green seam” with trails and stormwater along the top of bank at the edge of the UGB within what is assumed to be a 50-foot riparian setback area.	Not included in TSP

### Neighborhood parks

The RDMP identifies a need for three neighborhood parks within the Riverside District:

- Neighborhood Park C, east of the Bypass, which is identified as both meeting demand from new housing in the Riverside District and meeting an existing need for a neighborhood park to serve existing neighborhoods east of Highway 99; and
- Neighborhood Parks D and F, west of the Bypass, which are intended to serve new neighborhoods in the Riverside District.

The number and acreage of parks in the RDMP is based on the planned amount of new housing (970 housing units) and “level of service” ratios (ratios between population and the amount of park land of different types) adopted by the City in the Dundee Parks & Open Space plan. The Parks and Open Space plan also has neighborhood park guidelines including size, facilities, and location parameters. This Plan was jointly funded by CPRD and the City with participation by both agencies, although only the City formally adopted the Plan, which is now part of the City’s Comprehensive Plan. It is worth noting that the level of service standard for neighborhood parks (2.5 acres per 1,000 population) is a City standard. It is not found in CPRD Master Plan and does not appear to be part of the basis for the Park District’s SDC methodology or adopted fee.

Since the adoption of the RDMP and the Parks and Open Space plan, CPRD has acquired and developed a new neighborhood park in Dundee, east of Highway 99, called Fortune Park. This park is just under one (1) acre in size. The park is generally intended to meet the identified need for a neighborhood park to serve the existing neighborhoods in that area, although the City considers it to be undersized in its ability to fully meet these needs. As a result, City staff indicates that Fortune Park is not adequate to meet the needs of future new neighborhoods in the Riverside District west of the Bypass. Although these residents will be within a half-mile radius of the new park without a major barrier, the size and amenities at the park are not expected to accommodate those needs. As a result, the City continues to indicate that a new park in this area is needed although it is likely to be smaller than five acres (as indicated in the Riverside Master Plan), given that this part of the study area is only projected to accommodate only about 150 new housing units (including subareas A and C).

CPRD also owns roughly 5 acres of land in the Riverside District; however, the location and size are not well suited to meet the area’s neighborhood park needs. CPRD and the Edwards Family previously discussed a land swap between this area and land along the river (outside the existing UGB). However, these negotiations did not move forward to completion.

## **Water and Sewer Mains**

Providing water service to the Riverside District was a key issue to overcome in enabling development to move forward. The City's 2016 Water System Master Plan identifies a new "Parkway Loop" to serve the Riverside District as well as a new pressure zone with a new storage reservoir, booster pump station and other improvements to serve the Riverside District and adjacent areas. The Water System Master Plan also includes a recommendation to develop storage and pumping facilities for reclaimed water from the City's Wastewater Plant. The reclaimed water would be available to potential users in the Riverside District for irrigation or other non-potable use.

Neither the RDMP or adopted sewer plans explicitly address sanitary sewer distribution system needs for the Riverside District; however, there is the possibility that development located closer to the Wastewater Plant may be required to size sewer mains to accommodate both flows from the development of the property itself and future flows from other properties that will ultimately drain through the area. If so, some type of reimbursement mechanism will need to be used to ensure that the property owner or developer who over-sizes the facility ultimately only pays for their proportionate cost of the facility. Most typically, this is done through an SDC reimbursement fee although it also can be done through a developer agreement if a City does not have a reimbursement fee component to their SDC.

The City has contracted with Kennedy/Jenks Consultants to prepare a technical memorandum regarding the construction of a sewer trunk line to ensure gravity service in the Riverside area. This memorandum will be adopted as an addendum to the City's Wastewater Facilities Master Plan. The City indicates that the cost of and responsibility for funding construction of this facility should be identified prior to approval of development in the Riverside area.

## **Potential Funding Tools / Mechanisms**

There are several possibilities to fund shared infrastructure to serve the Riverside District. The potentially applicable tools are described in brief below.

### **Existing System Development Charges (SDCs)**

Dundee has water, sewer, and stormwater SDC fees but no transportation SDC. CPRD collects a Parks SDC for certain parks improvements as described above. Oregon statute (ORS 223.307) requires that any capital improvement funded, even in part, by SDC revenues be included in the plan and list on which the SDC is based in the local government's adopted methodology. This includes projects for which an applicant seeks SDC credits for building the "qualified public improvement" themselves. The City's SDC fee currently does not have provisions for reimbursement associated with "over-sizing" facilities.

### **Proportional exaction**

Cities can, and often do, require developers to build whatever portion of needed infrastructure improvements is attributable and roughly proportional to the impact of their proposed development on the system as a condition of development approval. This approach, called an

exaction, is subject to constitutional requirements for “nexus” (the exaction must further a legitimate public purpose and be related to an impact that is clearly attributable to the development) and “rough proportionality” (the magnitude of the exaction is roughly proportional to the impacts of the development).

### **Development agreements**

Development agreements, authorized under ORS 94.504, allow cities to enter into legally binding agreements with developers that establish the development regulations that will apply to the property (in case regulatory changes occur during the course of an extended or multi-phase development process), and spell out how infrastructure will be provided to serve the development. They generally offer certainty to the developer of the rules that will apply to later phases of the development in exchange for some sort of public benefit, which can include public facility improvements. They can cover multiple types of infrastructure and are most commonly used for large, multi-phase developments. Development agreements can be used as a complementary tool in combination with several of the other strategies described in this document.

The guiding statute states that development agreements made pursuant to ORS 94.504 are land use decisions.<sup>4</sup> Because development agreements are commonly regarded as a legislative decision in which the City is not obligated to approve or even negotiate the agreement, some legal scholars (outside Oregon) have asserted that they are not subject to the “nexus” and “proportionality” requirements that apply to exactions.<sup>5</sup> (A similar argument is often made regarding annexation agreements; however, those do not apply in this situation because the Riverside District is already annexed to the City.) The City’s legal counsel has indicated that the exactions limits imposed by the Supreme Court have no application to development agreements. They indicate that the constitutional limits apply to involuntary requirements imposed through government regulation. In contrast, development agreements are voluntary arrangements, enforceable as contracts, not as regulations.

In implementing this strategy, the City will want to consider whether to use statutory agreement authority or rely on Home Rule authority to create development agreements for the Riverside area. The chief limitation of the state version is a limited duration of 10 years, which may not be sufficient in this case, depending on the expected rate of development.

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<sup>4</sup> ORS 94.508(2). Note that an opinion by the Land Use Board of Appeals (LUBA No 2007-265, available at: <http://www.oregon.gov/LUBA/docs/opinions/2008/07-08/07256.pdf>) clarifies that local jurisdictions may have the authority under their charter (based on home rule authority) to enter into development agreements that do not meet statutory requirements; however, these are subject to legal attack if they attempt to bind future councils.

<sup>5</sup> See, for example: Brad K. Schwartz, “Development Agreements: Contracting for Vested Rights”, 28 B.C. Envtl. Aff. L. Rev. 719 (2001), <http://lawdigitalcommons.bc.edu/ealr/vol28/iss4/13>; and Daniel J. Curtin, Jr., “Exactions, Dedications and Development Agreements Nationally and in California: When and How Do the Dolan/Nollan Rules Apply,” Municipal Legal Studies Center of the Center for American and International Law, April 10, 2003, [http://www.ca-ilg.org/sites/main/files/file-attachments/resources\\_exactions.pdf](http://www.ca-ilg.org/sites/main/files/file-attachments/resources_exactions.pdf)

## Other existing public funding

General fund revenue; user fees for systems like parks, water and sewer; and sometimes grant funding can be used to pay for capital improvements. However, funds are typically limited and face competition with other public needs and priorities, including operations and maintenance of the public facilities.

## Local Improvement District

A local improvement district (LID) is a special assessment in a specific area to pay for a public improvement that benefits that area. The assessment can be paid in full or financed over 10, 15 or 20 years in accordance with the Bancroft Bonding Act.<sup>6</sup> If financed, the assessment creates a lien on the property. The City can finance the project through the sale of bonds that will be repaid with the proceeds of the assessment. The LID generates revenue from the benefitted properties regardless of whether the benefitted property owners develop the properties or not. The City of Dundee has procedures in place to form LIDs, and recently established an LID to pay for local street improvements on Locust Street.

LIDs are most commonly used when development or redevelopment potential is limited and improvements are needed to existing facilities. The risks of default may be higher when the LID contains fewer property owners and more undeveloped property.<sup>7</sup> To avoid this issue, the City of Beaverton has established an alternative form of local improvement financing that is similar to an LID, with several key differences intended to make it more suitable for financing improvements in a newly-developing area.<sup>8</sup> The alternative method is established under the City's charter and home rule authority, and is not based on statute. It allows the City to create a "zone of benefit" that includes all property that will utilize the specific improvements to be financed, but to create a district and collect an assessment initially only on those properties subject to a waiver of remonstrance and property owners who consent to participate (the properties need not be contiguous). Participating in the district exempts the owner from further contributions to the public improvements specifically subject to the zone of benefit; non-participating property owners pay their share only if/when they apply for development permits, unless the City chooses to establish a traditional LID on the remaining properties in the future. The effect of this approach is similar to an area-specific SDC, except that it allows the City to collect an assessment on benefitted properties that have already developed subject to a non-remonstrance agreement, and it allows the full cost of a facility to be financed, rather than being limited to the portion attributable to new growth. This option should be discussed with the City's legal counsel to determine whether it would be feasible and appropriate for the City of Dundee.

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<sup>6</sup> ORS 223.205 and 223.210 to 223.295.

<sup>7</sup> The City of Beaverton has adopted a requirement for a risk analysis and additional vetting of a potential LID when a significant portion of the property is unimproved, the improvements are intended to serve new development, or the property is held by relatively few property owners. See Beaverton Code (BC) 3.02.111.

<sup>8</sup> See Beaverton Code (BC) [3.02.500](#) through [3.02.510](#).

## Reimbursement district

A reimbursement district, also sometimes referred to as an Advance Financing District, allows one or more developers to pay for the full cost of a shared facility and be reimbursed by other benefitted properties for the portion of the cost that exceeds the funding developer's proportionate share. Other benefitted properties typically pay the reimbursement fee as a one-time fee upon development or improvement of the property. Reimbursement districts typically expire after 10 years (though they can be extended, and other default timelines can be specified), which means they work best when development of other benefitted properties is likely within a reasonable time frame. Reimbursement districts are not governed by state statute; they are creatures of the city charter and home rule authority.<sup>9</sup>

## Supplemental SDC

The City could establish a new supplemental, area-specific SDC for a given category of public facility for the Riverside District that would be paid by developers / home builders in the area and used solely to pay for the costs of constructing that type of public facility in the Riverside District. This would require creating a project list and a rate-setting methodology. Like other SDCs, properties subject to the SDC would pay at time of development, which means that the revenue to pay for the full cost of the improvements on the project list would not be available to the City until the area is fully developed, creating a timing challenge that is greater for a new SDC that does not have an existing balance and previous revenue to draw from.

## State Grants

State grants are available to assist with constructing some capital improvements, particularly for parks and trails. These grants could be used to fund park and trail improvements if the City provides a certain level of matching funding. In particular, grants for local parks are available to cities with populations of under 5,000 with a matching city contribution of 20%.

## Funding Mechanism Applicability by Public Facility

The applicability of each of these tools to the public facility categories relevant to the Riverside District (Neighborhood Parks, Trails, Roads, Water and Sewer) is summarized in Table 1 below. The tools have been rated as "good", "fair", or "poor" fits for the needs of the Riverside District using the color coding scheme below.

Good
Fair
Poor
Not applicable

<sup>9</sup> See 190 Or App 445 (Baker v. City of Woodburn, Oregon Court of Appeals), available at: <http://cdm17027.contentdm.oclc.org/cdm/ref/collection/p17027coll5/id/9877>

Table 3: Infrastructure Funding Mechanism Applicability

FUNDING TOOL	STREETS	TRAILS	NEIGHBORHOOD PARKS	WATER	SEWER
<p><b>Proportional exaction</b></p>	<p>The Dundee development code (DDC 17.305.030.I) requires full street improvements in conformance with the city’s public works standards and the alignment shown in the Transportation System Plan where new streets are created by a subdivision or partition. The code does not differentiate between street classifications (e.g. collector vs. local roads). The code (DDC 17.305.030.H) also requires most major development to construct three-quarters street improvements to all existing streets adjacent to or necessary to serve the development and full-street improvements to existing streets within the development. Proportionality requirements may limit the City’s ability to require developers to pay the full cost of building collector roads, especially if a bridge is required. (As noted above, the City’s TSP assumes the City will be responsible for a share of the cost of these improvements.)</p> <p>The development code also includes transportation impact analysis requirements that allow the City to require proportionate share improvements to on-site or off-site transportation facilities impacted by the development. This is most often used for intersection improvements but could potentially be applied to urban upgrades or sidewalks on connecting roads where new development would increase usage; however, development’s proportionate share in that case might be small relative to the total cost.</p> <p>Taken together, these provisions likely require development to cover most, but not all, of the cost of the North-South Parkway, 8<sup>th</sup> Street improvements, and any intersection improvements needed to accommodate growth. They will likely cover little of the cost of urban upgrades outside the Riverside District.</p>	<p>While streets, sidewalks and bike lanes are addressed in Dundee’s code as part of public improvement requirements (DDC chapter 17.305), trails are not explicitly addressed at present. The City could consider adding a requirement that new development construct or at a minimum provide easements for planned trails but should be careful in doing so to observe constitutional nexus and rough proportionality requirements. This might be appropriate for the trails identified along the top of bank and adjacent to Fulquartz Landing Road, since those will primarily benefit the future abutting neighborhoods in particular (above and beyond the general benefit to the rest of the City and even new neighborhoods to the west of the Bypass that will have to travel farther to access those trails). Because they run along the edge of the properties, the length is also somewhat in proportion to the developable area.</p>	<p>Dundee adopted a Parks and Open Space plan that includes a “Level of Service” standard for neighborhood parks of 2.5 acres per 1,000 population. The City could establish a park land dedication requirement based on this standard. Because not all sites will be suitable for a neighborhood park and the acreage needed for a park will be more than the proportional standard for some properties, the City could offer a fee-in-lieu option if the developer prefers or if CPRD does not want a site on the property (or not the site offered by the property owner). For simplicity, the fee in lieu could be based on a fixed cost per acre that represents an expected land cost if CPRD has to acquire land after master plans are approved.</p> <p>This would not work well for park improvements, but could work well for park land.</p>	<p>The development code (DDC 17.305.040) requires all new development to provide adequate water facilities. The location, size and capacity must be consistent with the water system master plan. It also requires that the design allow for future extension to serve adjacent properties where needed. The code explicitly states that “Installation costs shall remain entirely the developer’s responsibility.” (DDC 17.305.040.D.2) With SDC funding for the major shared projects (see below), the existing code language should cover the balance of the distribution system.</p>	<p>The development code (DDC 17.305.040) requires all new development to provide adequate sewer facilities. The location, size and capacity must be consistent with the sewer system master plan. It also requires that the design allow for future extension to serve adjacent properties where needed. The code explicitly states that “Installation costs shall remain entirely the developer’s responsibility.” (DDC 17.305.040.E.4) However, constitutional requirements for proportionality may limit the City’s ability to use this language to require developers to oversize sewer lines to meet the needs of the broader Riverside District without a reimbursement process in place.</p>

FUNDING TOOL	STREETS	TRAILS	NEIGHBORHOOD PARKS	WATER	SEWER
<p><b>City-/District-wide SDCs</b></p>	<p>Dundee does not currently have a transportation SDC. The City could consider adopting one for the City as a whole and using it to fund projects needed to provide additional capacity for growth. This could include a portion of the cost of new road connections (e.g. the North-South Parkway) and intersection improvements. (Only the portion of the project costs / need for the project attributable to growth could be funded through an SDC, and the portion attributable to the direct impacts from individual developments will be funded through development exactions, so there may not be much left that would be SDC eligible.) An SDC would likely not be able to fund the full cost of urban upgrades on existing rural roads but it could help pay for a proportionate share of the cost of upgrades needed to serve new growth. There might be resistance to including funding for a bridge in the Riverside District on a city-wide SDC, since it would have limited benefit to the rest of the City. As a result, although a transportation SDC might be appropriate for other reasons, it may not be the best choice to fill the funding gap for the portion of transportation costs in the Riverside District not covered by exactions.</p>	<p>CPRD’s Park SDC includes 18 miles of the Chehalem Heritage Trail. This appears to include a little over 6 miles of trails in Dundee, but the only identified planned trail in the Riverside District is a planned bike boulevard along 8<sup>th</sup> Street, and a small portion of the Greenway trail along the riverfront (outside the UGB). The Park SDC does not include other trail improvements, though CPRD may have some flexibility to adjust priorities for which trail improvements would be considered part of the 18 miles of Chehalem Heritage Trail (this would mean not funding other identified trail segments). Two shared use paths identified as projects in the City’s TSP do not appear in any of CPRD’s maps or plans. Thus, the existing Park SDC could fund (or provide credits to developers for) constructing trail segments identified by CPRD as part of the Chehalem Heritage Trails, but it cannot be used to pay for (or offer credits for) other trails in the Riverside District.</p>	<p>CPRD charges a Park SDC on new residential development; however, the adopted rate and project list does not include neighborhood parks in the Riverside District (or anywhere else). As a result, it cannot be used to pay for neighborhood parks and SDC credits cannot be offered to developers for neighborhood park dedication or improvements unless the project list is updated to include neighborhood parks, which would also increase the rate.<sup>10</sup> Given the neighborhood parks by definition serve a small geographic area, there may be objections to charging a fee to the whole district to pay for them.</p>	<p>The City has an existing water SDC. The water SDC Capital Improvement Project (CIP) list includes the Parkway Loop and storage and supply improvements that will serve the Riverside District. Thus, all major shared water facilities will be funded by SDCs.</p>	<p>The City has an existing sewer SDC; however, it is entirely dedicated to Waste Water Treatment Plant improvements (mostly reimbursement for past capacity increases, plus a small amount to pay for future increases). Any distribution system over-sizing will not be eligible for SDC funding or credits under the current SDC project list. The City could consider adding major distribution lines to the SDC project list, but since these do not serve the whole City (just a few benefitted properties), they are likely not well suited to adding to the City-wide SDC.</p>

<sup>10</sup> The City’s development code currently allows SDC credits for PUDs that build public parks. These provisions may need to be amended to ensure consistency with ORS 227.304(4) and (5), since those parks are not included in the SDC project list currently adopted by CPRD. Amending these provisions would help ensure that developers are not able to receive SDC credits for park dedication when there may not be available SDCs to credit.

FUNDING TOOL	STREETS	TRAILS	NEIGHBORHOOD PARKS	WATER	SEWER
<p><b>Development agreements (may be used in conjunction with other tools)</b></p>	<p>The costs of the bridge that forms a portion of the North-South Parkway are likely too great for an individual developer to willingly take on; however, some developers might be willing to take on the full cost of building/improving collector roads (e.g., the North-South Parkway) through a development agreement (if not covered by the proportionate exaction), depending on how much beyond the proportionate share the cost would be and whether there was another mechanism in place to reimburse them for a portion of this cost in the future.</p>	<p>Since development agreements are a less certain mechanism, they are less appropriate for a trail system where connectivity is essential and getting a trail from one property but not another would be an undesirable outcome. However, if the alternative was other public funding, this option might get some trail segments built by development. In addition, a development agreement could be used to reserve an easement for the trails, with funding for construction provided separately.</p>	<p>Funding for neighborhood park improvements would be a good candidate for a development agreement if the opportunity arose and the alternative was to pay for improvements with other public funding.</p>	<p>Development agreements are not likely to be needed for water facilities, given SDC funding and requirements for developers to build their own facilities.</p>	<p>Development agreements could be appropriate for sewer if the cost of oversizing was beyond what could legally be charged to the development but small enough to be worth paying in exchange for additional certainty of future development regulations.</p>

FUNDING TOOL	STREETS	TRAILS	NEIGHBORHOOD PARKS	WATER	SEWER
<p><b>Other existing public funding</b></p>	<p>The City of Dundee could use general fund, fuel tax, franchise fees, or other available transportation funding sources to pay for urban upgrades to existing rural roads that will not be upgraded through frontage improvements by development. The City could also consider paying a portion of the cost of a bridge for the North-South Parkway in the Riverside District if funding is available. However, given competition for existing transportation funding sources, these projects may take a long time to become a priority.</p>	<p>CPRD or the City of Dundee could use general fund or other available revenue to pay for all or a portion of the costs for trails in the Riverside District if funding was available. The Greenway or top of bluff trails might be candidates for partial funding with lodging tax revenues, given that they are planned to connect to the Chehalem Heritage Trail, which could benefit tourism in Dundee. The Bypass undercrossing may have ODOT funding available. Land has already been dedicated for a trail paralleling the Bypass as well.</p> <p>State grants might also be a source of funding for trails, with the City paying a portion of the cost via a local match (using developer contributions for all or a portion of the match) and the grants paying for the remainder.</p> <p>While these other sources may contribute a portion of the costs of trail development, they will not offer a full solution.</p>	<p>CPRD or the City of Dundee could use general fund or other available revenue to pay for all or a portion of improvement costs for neighborhood parks in the Riverside District if funding was available. However, the City and CPRD may not want to set a precedent of using general fund or other revenue sources to pay for neighborhood park improvements in newly developing areas. (CPRD recently used its funds to acquire and build a neighborhood park in Dundee, but this was needed to address an existing deficiency, not to meet the needs of growth.)</p> <p>If CPRD were to sell or trade its existing 5-acre parcel in the Riverside District, the District can use put those proceeds towards land or facility costs for neighborhood parks in other locations, with these funds potentially reimbursed by property owners or developers in the area from fee-in-lieu, SDC or other contributions. This may not cover all of the land costs for neighborhood parks in the area, but would help. However, CPRD cannot be sure of the timing or purchase price for the land.</p> <p>State grants might also be a source of funding for neighborhood parks, with the City paying a portion of the cost via a local match (using developer contributions) and the grants paying for the remainder.</p>	<p>The water system improvements needed to serve the Riverside District are largely allocated to growth and therefore to SDC revenues; however, the additional future water source development is assumed to be funded partially by SDCs and partially by water rates from existing customers.</p>	<p>The City could use revenue from rates to pay for any cost of oversizing that cannot be put on private development; however, that is not the typical practice, and it would set a precedent that the City likely would not want to continue.</p>

FUNDING TOOL	STREETS	TRAILS	NEIGHBORHOOD PARKS	WATER	SEWER
<p><b>Local Improvement District (LID)</b></p>	<p>An LID could be an appropriate way to pay for a portion of the cost of the bridge for the North-South Collector since the costs are relatively large, the improvements benefit the District as a whole, and it can spread the cost across time; however, property owners might not have adequate income from their properties to pay the assessments prior to development. If the City’s legal counsel determines that the alternative “zone of benefit” model in use by the City of Beaverton (see page 7) is appropriate for Dundee, this could be a good option for the cost of the bridge or other large shared transportation costs.</p>	<p>An LID could be used to fund trail improvements that do not have other funding identified (e.g. the trail along the top of the bluff); however, property owners might not have adequate income from their properties to pay the assessments prior to development. The City could require non-remonstrance agreements to form an LID for this purpose and build the trails in the future after properties have been developed, but this would increase the number of property owners involved and might increase complexity. It also would increase the cost if construction costs continue to escalate.</p>	<p>An LID could be used to fund neighborhood park improvements if CPRD does not have other funding available for improvements; however, property owners might not have adequate income from their properties to pay the assessments prior to development.</p>	<p>LIDs are not likely to be needed for water facilities, given SDC funding and requirements for developers to build their own facilities.</p>	<p>Undeveloped properties in the Riverside District would not have current sewer service by definition. As a result, establishing an LID that would require property owners to begin paying for improvements before benefitting from them would not be a good solution.</p>
<p><b>Reimbursement District</b></p>	<p>This mechanism is generally a logical alternative for paying for road improvements that would not be covered by exactions. However, using a reimbursement district for expensive improvements requires a developer with deep pockets and a willingness to withstand a long payback period and uncertainty about whether the costs will ever be repaid. That may or may not be the case in the Riverside District.</p>	<p>A reimbursement district could be used for the cost of building trails along the top of bluff; however, given potential timing issues with being reimbursed, this might not be desirable for developers.</p>	<p>A neighborhood park reimbursement district would allow a developer in one master plan area to dedicate enough park land to meet the needs of multiple subareas and be reimbursed by developers of the other subareas for their proportionate share when they develop. Timing could be an issue for this approach, but if the reimbursement is limited to land costs, then there is no direct out-of-pocket cost to repay and it may be easier for a developer to wait for reimbursement.</p>	<p>Reimbursement districts are not likely to be needed for water facilities, given SDC funding and requirements for developers to build their own facilities.</p>	<p>A reimbursement district could be established for any sewer lines that need to be oversized to serve the broader area if the cost of oversizing is reasonable to carry over a prolonged period and there is an immediate benefit to the developer of being able to move forward on development.</p>

FUNDING TOOL	STREETS	TRAILS	NEIGHBORHOOD PARKS	WATER	SEWER
<p><b>Supplemental SDC</b></p>	<p>An area-specific transportation SDC could be established to fund the cost of the North-South Parkway bridge and any portion of the cost of other portions of the Parkway that exceeds developers' proportionate contributions. However, whether the supplemental SDC would be feasible depends in part on the total cost to be covered by the SDC. If it is too high, the City might not be able to charge an SDC that would cover the full cost. In addition, timing issues may be problematic for these facilities, because portions of the collector road will be needed in order enable development, and if there is not sufficient SDC revenue to pay for any costs beyond the what the developer would owe, the project might have to wait until SDC revenue was available.</p>	<p>A supplemental SDC for trails could be combined with one for neighborhood parks or with one for transportation. This would allow developers the option of building the improvements and receiving an SDC credit (up to the amount they would have owed) or paying the SDC. Once SDC revenue was available, the City could also use that revenue to pay for the cost of the trails beyond the amount that the developer would owe. The City could elect to defer trail construction until sufficient SDC revenue was available.</p>	<p>A supplemental SDC for neighborhood parks could provide a mechanism to equitably fund neighborhood park land costs and improvements. Such an SDC could be administered by the City with funding transferred to CPRD as with the existing Parks SDC. This would allow developers the option of dedicating the land, and, if they so desire, building the improvements, and receiving an SDC credit (up to the amount they would have owed) or paying the SDC. Once sufficient SDC revenue was available, the City could use that revenue to pay for the cost of park improvements beyond the amount that the developer would owe. If sufficient funds were not available to pay for improvements right away, the parks might remain undeveloped for a period of time, but would still provide open space.</p>	<p>Supplemental SDCs are not likely to be needed for water facilities, given SDC funding and requirements for developers to build their own facilities.</p>	<p>Oversizing sewer distribution systems would likely not be enough cost to warrant establishing another SDC on top of the existing City-wide one.</p>

FUNDING TOOL	STREETS	TRAILS	NEIGHBORHOOD PARKS	WATER	SEWER
<p><b>Overall Recommendation</b></p>	<ul style="list-style-type: none"> <li>• Rely on existing proportionate exaction requirements to cover most of the cost of the North-South Parkway and 8<sup>th</sup> Street improvements and extension in the Riverside District, given that these facilities are needed primarily to serve development in this area.</li> <li>• Assume proportionate exaction will provide partial funding for any intersection improvements needed to accommodate growth and possibly urban upgrades outside the Riverside District</li> <li>• Establish an area-specific transportation SDC or a Reimbursement District to pay for a portion of the North-South Parkway (including the stream crossing) and 8<sup>th</sup> Street improvement costs, plus a proportionate share of the costs to improve Edwards Drive, 5<sup>th</sup> Street, and Parks Drive to collector standards, with sidewalks. Alternatively, an LID approach could be used although as noted previously, LIDs are more typically used when there are multiple property owners involved and to construct improvements after development has already occurred.</li> <li>• Enter into Developer Agreements to establish terms and conditions for use of the funding mechanisms described above.</li> <li>• In future, establish LIDs to pay for sidewalks on Edwards Drive, 5<sup>th</sup> Street, and possibly Parks Drive, using SDC revenue from the Riverside District to supplement LID revenue and reduce assessments.</li> </ul>	<ul style="list-style-type: none"> <li>• Most land for trails will either be in riparian setbacks or street right-of-way, so minimal funding will likely be needed for land acquisition. In addition, the Riverside MP includes provisions that allow for density in trail corridors to be transferred into other developable portions of the area.</li> <li>• Include the trail connection from 10<sup>th</sup> Street to the Wastewater treatment plant in the area-specific transportation SDC</li> <li>• Spell out requirements or conditions for dedication of easements and/or construction of trails in Development Agreements if they are adopted for other financing purposes.</li> <li>• Include top-of-bank trails in the supplemental SDC for neighborhood parks</li> <li>• If CPRD is able to sell or trade its existing property in the Riverside District, that could supplement other revenue sources for park and trail improvements in the area.</li> </ul>	<ul style="list-style-type: none"> <li>• Use a Development Agreement to supplement and held document use of the following additional strategies.</li> <li>• Establish a dedication requirement with fee-in-lieu option, where the fee-in-lieu is calculated based on expected land costs after master plan / development approvals.</li> <li>• If CPRD is able to sell or trade its existing property in the Riverside District, that could supplement other revenue sources for park and trail improvements in the area.</li> <li>• Establish a supplemental SDC for the cost of neighborhood park improvements. (Also include the cost of top of bank trail improvements). Alternatively, consider establishing a Reimbursement District to fund the park improvements.</li> <li>• Explore opportunities for state grants to fund a portion of the cost of neighborhood park improvements to reduce the local share of costs.</li> </ul>	<ul style="list-style-type: none"> <li>• Rely on existing water SDC funding and proportionate exactions</li> </ul>	<ul style="list-style-type: none"> <li>• Establish a reimbursement district if needed to allow a developer to re-coup the costs of over-sizing sewer lines, assuming those costs are not major.</li> </ul>

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## **OTHER IMPLEMENTATION ISSUES FOR NEIGHBORHOOD PARKS**

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### **Context**

In addition to establishing a mechanism to equitably share the costs of developing neighborhood parks, there is the question of how to obtain ownership of appropriate pieces of land for them.

The existing code addresses park dedication in Planned Unit Developments (PUDs); PUDs require a minimum of 20% of the gross acreage be devoted to common open space or outdoor recreation areas, and the city may request dedication of public open space in lieu of park system development charges (SDCs). The land must be reasonably suited for use as a public park or for recreation purposes, consistent with the Dundee parks and open space plan. There are no other provisions requiring park land dedication as a condition of development (with or without compensation).

The Dundee Development Code does have a special land use review and approval process for new parks (DMC 17.203.130), which includes a master planning process. The code requires new parks to be consistent with the Parks & Open Space plan. Any additional needed dedication or improvement requirements should be in place prior to review and approval of sub-area master plans or specific development proposals.

### **Issues to address**

There are several inter-related questions to address regarding neighborhood parks:

- Who will build, own, and maintain the parks?
- How will the land for the parks be secured in appropriate locations?

Options and recommendations for each of these questions are summarized below.

#### **Who will build, own, and maintain the parks?**

CPRD has indicated that it prefers to own park land outright, but other arrangements are possible (e.g. easements) provided that there is a long-term agreement with CPRD for use of the property. Either way, CPRD will maintain the parks. CPRD also prefers to build the improvements themselves but will consider having a developer build the improvements if CPRD has the opportunity to review and approve the designs for the improvements before they are made. More detailed specifications would be needed if this were to be done through a clear and objective process, rather than one in which CPRD has discretion and approval authority.

#### **How will the land for the parks be secured?**

There are several options for securing appropriate land for neighborhood parks in the Riverside District. These are summarized below.

### *CPRD-led negotiation and acquisition*

As with the Fortune Park site, CPRD can negotiate with property owners to secure a suitable site before or after master plans are approved. If this is not successfully completed until after the master plans are approved, the land costs will increase, and the District will miss an opportunity for the neighborhood to be oriented around the park site.

### *Require dedication or sale as a condition of Master Plan or development approval*

Several jurisdictions (including Washington County<sup>11</sup> and the City of Bend<sup>12</sup>) require that for sites where a park need has been identified and mapped, the developer must allow the park provider to acquire a suitable site (with compensation to the property owner). In Bend, the land is appraised prior to development approval (and the corresponding increase in land valuation); in Washington County, the appraisal timing is not specified by the code, which leads to complex negotiations with the property owners.

The City of Sandy has a park land dedication requirement that applies to new residential subdivisions, planned developments, multifamily and manufactured home park developments.<sup>13</sup> The requirement includes calculation methodology, minimum standards for park land proposed for dedication (e.g. homes must front on the park, maximum average slope, maximum retaining wall height at perimeter), and dedication procedures.

### *Preliminary Recommendation*

Sandy's approach would provide some siting flexibility while ensuring the site is suitable. The City could work with CPRD to establish appropriate criteria. Those criteria could allow for either a site that is central to a neighborhood (i.e. homes front on a park on at least three sides) or adjacent to a natural area and trail connection. This is the preliminary recommended approach, pending further discussions with CPRD.

## **OTHER IMPLEMENTATION ISSUES FOR TRAILS**

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### **Context**

As noted above (see page 3), the Dundee TSP includes two trails in the Riverside District, but does not include the top-of-bank trail system envisioned in the RDMP. However, the top-of-bank trails are anticipated to be located within a 50-foot setback from the top of bank, so the land for them will likely be protected from development on other grounds, regardless of TSP mapping. While the TSP anticipates that development will contribute to the cost of the two trails it includes, the

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<sup>11</sup> Washington County Community Development Code, Article V, Chapter 501, Section 501-10 Standards for Development Within the North Bethany Subarea Plan Area

<sup>12</sup> Bend Development Code, Chapter 3.4, Section 3.4.300 Public Use Areas.

<sup>13</sup> City of Sandy Municipal Code, Chapter 17.86, Parkland and Open Space.

development code does not establish a requirement for them to be built with development in the way that new roads are required.

The TSP has a cross-section standard for a multi-use path<sup>14</sup>, and the City's Public Works Standards include design standards for bikeways, including those not located within a street<sup>15</sup>. These may be adequate to address trail improvement standards.

## Issues to address

The remaining questions for trails implementation are similar to those for neighborhood parks:

- Who will build, own, and maintain the trails?
- How will the land for the trails be secured?

Options and recommendations for each of these questions are summarized below.

### Who will build, own, and maintain the parks?

Trails can be located in easements or dedicated right-of-way. CPRD has expressed some preference for ownership of the land, but also willingness to accept easements. Trail improvement standards are more clearly specified than is possible for neighborhood parks, so there is likely more willingness to have a developer build the trail, though CPRD is also quite willing to do this (provided funding is available). CPRD will maintain the trails once built. As an alternative, the City could own and/or maintain these trails through a cooperative agreement with CPRD.

### How will the land for the trails be secured?

The land acquisition process may differ for different types of trails, as described below.

#### *Top of Bank Green Seam Trails*

As noted above, the top-of-bank trails are anticipated to be located within a 50-foot setback from the top of bank, so the land for them will likely be protected from development. Because this area will not be developable, it should be easier for CPRD to acquire the land or an easement over it from the property owners, regardless of any policies or requirements to allow this. In order to require property owners to deed or grant an easement to this land to CPRD, the trails would have to be added to the TSP and requirements would have to be added to the code. If this were done, it would be treated in the same way as the shared use paths identified in the TSP (see below).

However, this approach may be less desirable for trails in sensitive natural areas, and might not allow sufficient flexibility for CPRD on the path design and the details of its alignment, which should be sensitive to the context and resources.

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<sup>14</sup> See Figure 14.

<sup>15</sup> Division 4, 4.1: Design Criteria, section M.

### *Shared Use Paths in TSP*

For the two trails shown in the TSP, there is an existing policy basis to require developers to at least allow for the trail connections, and the potential to require the land to be dedicated, as it would be with a street. For example, the City of Bend requires that master plans provide multimodal connections including both streets and trails in compliance with adopted transportation and parks/trails plans (this does not seem to be a requirement for development outside the master plan process).<sup>16</sup>

### *Green Seam trails along Fulquartz Landing Road*

Because these trails are assumed to follow an existing right-of-way, the simplest option for implementation would be to amend the TSP so that the cross-section for that segment of Fulquartz Landing Road is shown as a Parkway Collector, with the recommendation to use the shared use path design. (Sidewalks and street trees would not be built on the side of the road that fronts land outside the UGB unless / until that land were added to the UGB.)

### *Green Seam Trails along Bypass*

As noted previously, CPRD reports having access along the Bypass already, so no further action is required.

### *Preliminary Recommendations*

In order to allow for trail implementation, the following plan and code amendments are recommended, pending further discussion with CPRD and the City's attorney:

- Do not add the top-of-bank green seam trails to the TSP; rely on CPRD to acquire easements and build these trails (ideally using funding from an area-specific SDC, as recommended above).
- Within the master planning requirements, include a requirement to provide multi-modal connections consistent with the TSP, including shared-use paths, and treating them the same way that street connections are treated. This would have to provide some flexibility for the timing of construction of trail segments that will connect to the Bypass undercrossing, since that has not yet been designed. Deferral of improvements, with a deposit / fee-in-lieu to the City, might be a good option for trail segments that would connect to the under crossing.
- Rely on existing design standards for shared use paths identified in the TSP and any other shared-use paths built by CPRD (e.g. along the Bypass); however, CPRD should have discretion in determining the appropriate design for the top-of-bank trails, as they may not be developed as shared use paths along their full length.
- Amend the TSP to show Fulquartz Landing Road (south of the new North-South Parkway Collector, until it turns to the south and is entirely outside the UGB) as a Parkway Collector

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<sup>16</sup> Bend Development Code 4.5.200.E.2.

and modify the text describing which Parkway collector cross-sections should be used for each of the Parkway Collectors such that that segment of Fulquartz Landing Road uses the cross-section with a shared-use path on one side. This would also require adding this project to the project list (either as a “possibly funded” project or as an “aspirational” project) and providing a cost estimate for it.

## INFRASTRUCTURE PHASING

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Even if infrastructure funding is addressed, the timing of certain key infrastructure improvements will be critical to allowing development to move forward. Transportation and water improvements and connections are the most critical to enabling development of the area. Following is a discussion of phasing issues for specific facilities:

- **8<sup>th</sup> Street Collector.** Portions of this road lie along the boundary between the two major property owners in the area. Other portions lie completely within the Edwards property and the portion of the roadway that traverses the Newberg Dundee Bypass has already been constructed to required standards. Anticipated phasing for this road is as follows:
  - *Edwards-only property sections.* These will be constructed or improved to a Parkway Collector standard as part of development of sub-areas A and B. The portion of the cost of development proportionate to development in those areas would be borne by that property owner or subsequent developer. The proportion associated with traffic generated by the Linquist’s property or the City as a whole would be reimbursed as part of a development agreement, advance financing district or other funding mechanism adopted by the City and property owners.
  - *Portions serving multiple property owners.* Improvements to the sections of roadway that currently front both the Edwards and Lindquist likely would be built as half-street improvements as development on those respective properties occurs. The first property to develop on one side of the road also would need to construct at least a portion of the roadway on the other side of the road to ensure that two travel lanes and a shoulder or bicycle lane are in place on both sides of the roadway at a minimum. Similar to the Edwards-only portion of the roadway, the City and property owners will need to determine the proportionate share of the cost of improving the road to the Parkway Collector standard and enter into one or more agreements to allow for reimbursement of the portion of the cost of the improvements not attributable to the property owner making the initial improvements.
- **Water or sewer distribution lines along SE 5<sup>th</sup> Street.** To the extent that these facilities need to be upsized to serve future development in the study area, these improvements likely will be constructed coincident with the construction or improvements to the roadway. Similar to the roadway costs, the cost of upsizing should be allocated to the two major property owners (or future developers) based on development and water use projections.

The property owner or developer constructing the upsizing improvements would then be reimbursed as other development in the area proceeds, consistent with whatever type of funding agreement the city elects to pursue in coordination with the property owners.

- **Water distribution lines within sub-areas D, E and F.** The City's Water Master Plan shows a major water line intended to serve this area. This water line is needed solely to serve this area and would be constructed either as a whole or in segments as that area develops.
- **Water capacity.** Construction of the water lines described above and development in the study area generally will depend on the availability of water system capacity to serve it. The City currently has adequate capacity to serve approximately 10 years of development or approximately half of the development projected for the study area. During the coming 10 years, the City will need to continue to plan for water supply and storage facilities needed to serve additional development in the area. The City has contracted with Murry Smith Associates to develop a refine analysis of how to address future water supply needs, including use of reclaimed water. That study is scheduled to be completed in August of this year.
- **Trails and multi-use pathways.** Phasing of these projects will vary by train type and location. Dedication of trail easements will occur as part of the development approval process. Construction of trails may occur during this same period or at a later time, depending on future agreements between the City, property owners and the Chehalem Parks and Recreation District.
- **Neighborhood Parks.** The timing or phasing for construction of neighborhood parks will depend on which of the funding and/or land dedication approaches described previously in this memo area undertaken.

## Transportation

The key question for transportation infrastructure phasing is when a stream crossing connection for the new North-South Collector is needed, and how much development north of the stream crossing can proceed using 8<sup>th</sup> Street as the only connection across the Bypass. This should be discussed with the City's engineer and fire chief.

## Water

The 2016 Water Master Plan identifies improvements to serve the Riverside District. The City has identified the following phasing for potential related projects in its Master Plan:

- Project ST-2 will install pressure reducing valves to create a new pressure zone east of the railroad and is projected to occur during the next five years.
- Project ST-1 (reservoir/pump station) is projected to be more than five years out.

The other major improvement to serve the area is the Parkway Loop transmission line (projects DS-1A through DS-1C), which is planned to be built in phases over the course of the next 20-plus years.

How much development can proceed prior to completion of this line is unclear from the Water Master Plan.

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## **PUBLIC WORKS STANDARDS**

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While Dundee has public works standards for development, there are a few issues remaining to be worked out for the Riverside District, as described below.

### **Reclaimed Water**

The City's Water System Master plan includes a planned reclaimed water reservoir and pump station to be located at the wastewater treatment plant. This would make reclaimed water available for non-potable water use (e.g. landscape irrigation, toilet flushing) in the Riverside District. However, the City has not yet determined whether or not to require developers to provide for connections to this system. While it might not be reasonable to require developers of single family homes to provide non-potable water connections (and the potential for users to mis-use the system may be higher for single family homes), users with extensive landscaping and/or centralized water and sewer billing and potential for non-potable water use (e.g. multifamily, industrial, parks, schools, and some institutional uses) could be good candidates for this system. The RDMP supports and encourages non-potable water use in the District. The City is working with Kennedy Jenks to develop policy recommendations on this issue. Depending on the outcome, development code and/or public works standards may need to be updated to reflect any new requirements. (For example, if certain types of development are required to provide connections to the non-potable water supply, this may require an update to DMC 17.305.040.)

The City is currently working with Kennedy Jenks to develop approaches to use of reclaimed water. Recommendations from that study can be integrated into future planning efforts and funding analyses or agreements for this area.

### **Public Improvement Design Standards**

The Dundee City Council has expressed a desire for a unique and unifying look for streetscapes in the Riverside District, such as including the City logo on street signs, installing decorative street lighting, emblems on manhole lids, enhanced crosswalk treatments, and/or a street tree planting plan. These type of issues typically are addressed in the City's Public Works Design Standards, not in the development code. Special treatments can make an area feel both unique and unified, but can also add cost for developers. However, assuming that design treatments are not overly elaborate or significantly different in cost from those in other areas of the City, this may not be a significant issue. The City will need to undertake the following additional activities to implement area-specific public improvement design standards:

- Affirm the desire to use area-specific standards for improvements in this area.

- Develop more detailed designs or specifications for the improvements, building on the work previously conducted for the City by Wallis Engineering.
- Update the City's Public Works Design Standards document to incorporate the new standards and specifications.
- Amend the City's Development Code as needed to require public street and other infrastructure improvements to be consistent with Public Works Design Standards.
- To the extent that design standards or specifications vary by sub-area, incorporate additional conditions or requirements in approval of sub-area master plans or specific development applications.

## **TIMING OF APPLICATION OF ZONING**

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The City may apply zoning to property within the Riverside area concurrently with adoption of new zoning requirements for the area. Alternatively, it could apply zoning at the time of Master Plan approval. The City and its legal counsel have expressed some concern about the potential for development to occur before adequate public facilities are in place to serve new development if zoning is applied concurrent with of new zoning requirements for the area. This concern is based in part on that fact that in most cases, once zoning is in place, property owners or developers are able to submit applications for development. However, in this case, proposed Master Planning provisions require that applicants show how public facilities will be provided and will be adequate to serve future development. In addition, as part of the Master Planning process, we recommend that the City require developers to enter into development agreements that clearly spell out responsibilities for constructing and paying for infrastructure prior to approval of specific development applications. This is intended to address the City's concern by ensuring that plans and agreements are in place to construct and pay for needed infrastructure prior to approval of development applications since those applications cannot be approved prior to master plan approval.

This issue will continue to be discussed with City decision-makers and a final approach to this issue will be determined as part of preparation of the Final Draft Code Amendments prepared during this process.