

Reimbursement Districts

City Council Work Session Feb. 15, 2022



What is a reimbursement district?

- Tool to share infrastructure costs
- Developer builds an improvement
- Other properties that benefit pay their share when they start using it

Property 1

Develops first; builds and pays for traffic signal

Property 2

Pays share when development occurs

Property 3

Pays share when development occurs

Property 4

Pays share when development occurs

How do reimbursement districts work?

- Typically:
 - City or developer applies for district
 - Staff prepares a report with cost and methodology for how costs are shared
 - Report reviewed with property owners in district
 - City Council holds public hearing and decides whether to establish district
 - Properties that benefit pay when they start using the infrastructure



What could this be used for?

- Examples
 - Sewer trunk lines
 - Water lines
 - Utility undergrounding
 - Sub-basin strategy stormwater projects
 - Cooper Mountain utilities
 - Transportation improvements



Why is this tool beneficial?

- Provides city with another way to fund projects and share costs among property owners
- Gives city way to spread costs among property owners without liens and property tax assessments that go with local improvement districts
- System development charges, which fund Capital Improvement Plan projects, can't be used for all projects

Common tool for local governments

- Many other governments that have this tool
 - Clean Water Services
 - City of Gresham
 - City of Hillsboro
 - City of Tigard
 - City of Milwaukie
 - · City of Bend
 - City of Portland
 - City of Redmond
 - City of Pendleton



Next steps

- If Council asks staff to proceed:
 - Develop draft City Code section
 - Review with stakeholders
 - Revise draft City Code section
 - Council work session
 - Seek City Council approval

Questions?

- 1. Does the Council have questions or comments about reimbursement districts?
- 2. Should staff proceed with developing Beaverton City Code language to establish reimbursement districts?