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GENERAL ASSESSMENT PROCEDURES

21.010. Definitions. For the purposes of this chapter, the following words and phrases shall have the meanings hereinafter designated:

- (a) "Acreage" means all real property not laid out into blocks.
- (b) "Block" means a parcel of land bounded by three or more streets as laid out in a platted addition, or a parcel of unplatted land bounded by four streets of the average size of platted blocks in the city.
- (c) "Lateral Sewer" means any public sewer to which A building connects or may connect.
- (d) "Local Improvement" means any capital construction project, or part thereof, undertaken by the city pursuant to state law, or pursuant to ordinance or resolution prescribing the procedure to be followed in making local assessments for benefits from a local improvement

upon the lots that have been benefitted by all or a part of the improvement:

- (1) That provides a special benefit only to specific properties or rectifies a problem caused by specific properties;
- (2) The costs of which are assessed against those properties in a single assessment upon the completion of the project; and
- (3) For which the property owner may elect to make payment of the assessment plus appropriate interest over a period of at least 10 years.

For purposes of this subsection, the status of a capital construction project as a local improvement is not affected by the accrual of a general benefit to property other than the property receiving the special benefit.

(e) "Trunk Main" means a water line larger than eight inches in internal diameter.

(f) "Water Main" means water pipe one inch or larger in internal diameter and excluding a trunk main. (Ord No. 51-96; Ord No. 47-2000)

21.015. Notice to Property Owners of Proposed Improvements and Assessments.

(a) The council, upon its own motion or upon petition of 51 percent of owners of property which would be specially benefitted by local improvements, may initiate consideration of the improvements.

(b) When the council determines to initiate a project and assess all or part of the cost of constructing a local improvement, including those elements of costs as defined in ORS 310.140(10), it shall cause the preparation of plans, profiles, specifications and estimates of the proposed improvement, and maps of profiles showing the area of benefit proposed to be assessed, and before proceeding with the improvement shall hold a public hearing, and notice of said hearing shall be given by the recorder by publishing in a daily newspaper circulated in the city, not less than ten days prior to the date of the hearing. At the hearing the council shall consider the objections, if any, to the proposed improvement and thereafter the council may revise such plans, specifications, and estimates and may exclude any property shown as benefitted on such maps or profiles.

(c) After completing the construction and certifying the costs, but before levying any assessment for any local improvement, the city recorder shall cause to be mailed to each property owner affected by such assessment a notice which shall designate the location, the kind of improvement for which assessments are to be made, a description of each lot, part of lot, or parcel of land proposed to be assessed, the name of the owner thereof, if known, and the amount of the assessment.

The notice shall specify a date by which time objections shall be filed with the recorder. Any such objections shall state the grounds thereof. The council shall consider such objections prior to passage of the ordinance levying the assessment. (Ord No. 150-67; Ord No. 171-78; Ord No. 51-96; Ord No. 30-97; Ord No. 91-99; Ord No. 47-2000)

21.020. Posting of Notice. A notice containing the substance provided in SRC 21.015(b) shall be posted by the city recorder on the bulletin board at the city hall at least seven days prior to the time when the ordinance levying such assessments shall be considered by the council. (Ord No. 150-67; Ord No. 171-78; Ord No. 51-96)

21.030. Time for Mailing. The notice provided for in SRC 20.015 shall be mailed to the property owners affected by the proposed assessment at least seven days prior to the time when the ordinance levying such assessments shall be considered by council. Any mistake, error, omission, or failure with respect to such mailing shall not be jurisdictional or invalidate the assessment proceedings. (Ord No. 150-67; Ord No. 171-78; Ord No. 47-2000)

21.040. City Recorder to Keep Record of Notices. The city recorder shall keep a record of the mailing of notices provided for in SRC 21.015, which record shall contain the name of the owner, the date of mailing of the notice, the address to which such notice was mailed, and the nature of the notice; and the city recorder shall also keep a record of the date of posting of the notices provided for in SRC 21.020. (Ord No. 150-67; Ord No. 47-2000)

21.050. Same; Objections to Proposed Assessments. At the time set the council shall hear and consider any objections to the proposed assessments and may adopt, correct, modify, or revise the proposed assessments and shall determine the amount of assessment to be charged against each lot, part of lot, or parcel of land, according to the special and peculiar benefits accruing thereto from the improvement, and shall by ordinance spread the assessments. (Ord No. 150-67)

21.060. Docket of City Liens.

- (a) There shall be kept and maintained in the department of finance a docket of city liens.
- (b) The docket shall show for each lien:
 - (1) The description of the lot, part of lot, or parcel of land affected;
 - (2) The name of the owner thereof;
 - (3) The sum assessed upon each lot, part of lot, or parcel of land, and the date of entry.
- (c) Liens in the docket shall have priority over all other liens or encumbrances hereon whatsoever. (Ord No. 150-67; Ord No. 51-96; Ord No. 47-2000)

21.070. Notice of Assessments. Upon the passage of the ordinance spreading the assessments the director of finance shall, by mail or personal delivery, serve upon the owner or the owner's agent notice of the assessment. The notice shall describe the lot, part of lot or parcel of land assessed, the name of the owner thereof, and the sum of money assessed upon the lot, part of lot, or parcel of land. A written application to finance the assessment under the provisions of the "Bancroft Bonding Act" may be included with the notice.

If the address of the owner or of the owner's agent is unknown, the notice shall be served by publication thereof once a week for two successive weeks in a daily newspaper published in the City of Salem. More than one assessment for any improvement may be included in one published notice. (Ord No. 150-67; Ord No. 47-2000)

21.080. Proof of Publication. Proof of publication of the notice referred to in SRC 21.070 shall be made by the director of finance in the manner provided by law for the proof of service of summons by publication. (Ord No. 150-67)

21.090. Effective Date of Assessment; Interest Thereon; SDC Installment Agreements.

- (a) All assessments levied shall be entitled to full force and effect from the date of entry in the City's lien docket and shall draw interest at the rate of 9.5 percent per annum from a date thirty days after the entry of such assessments in the lien docket.
- (b) Commencing upon July1, 2009, and continuing until June 30, 2010, a lien placed upon property to secure payment of an SDC pursuant to SRC 41.140(d) shall be in full force and effect from the date of entry into the City's lien docket, and shall draw interest at the rate of 9.5 percent per annum from a date 360 days after the entry into the lien docket. Commencing upon July 1, 2010, a lien placed upon property to secure payment of an SDC pursuant to SRC 41.140(d) shall be in full force and effect from the date of entry into the City's lien docket, and shall draw interest at the rate of 9.5 percent per annum from 150 days after the date of entry

into the lien docket. (Ord No. 150-67; Ord No. 9-73; Ord No. 8-82; Ord No. 91-86; Ord No. 51-96; Ord No. 47-2000; Ord No. 40-09)

21.100. Acceptance of Bancroft Bonding Act Financing Applications. Any owner of property assessed for a local improvement shall have the right and privilege within ten days from the date of notice of the assessment is given pursuant to SRC 21.070 to finance said assessment under the provisions of ORS 223.210. After the ten-day period the director of finance may accept written applications for such financing at the director's option, provided, however, all accrued interest on any assessment shall first be paid before any financing application shall be accepted. (Ord No. 150-67; Ord No. 47-2000)

21.130. Entry of Assessment in Lien Docket. Any assessment levied as provided in the preceding section shall, by the director of finance, be entered in the "Docket of City Liens" in the same manner as other liens are entered in such docket and if the assessment or lien for a trunk sewer is contained in an ordinance levying an assessment or lien for a lateral sewer, then the amount assessed for a trunk line sewer shall be stated separately. (Ord No. 150-67; Ord No. 47-2000)

SEWER ASSESSMENTS AND CONNECTION FEES

21.140. Payment and Collection Generally. Any lien levied pursuant to SRC 21.100 shall be payable and collectible by the city in the manner provided by the state laws and this Code pertaining to liens and assessments for improvements. (Ord No. 150-67; Ord No. 47-2000)

21.180. Assessment for Lateral Sewers. Cost of construction of lateral sewers shall be assessed to property benefitted as provided by this chapter and shall include those elements of cost defined in ORS 310.140(10). Apportionment of the project costs shall be made on the basis of front footage served by the sewer, assigning to each lot or parcel of land served, the per front-foot cost determined by dividing the assessable cost of the project by the total front footage of all lots or parcels benefitted. Property will be considered as benefitted to a depth of 100 feet from the point or property line at which the sewer is made available. If the property is irregular in shape or less than 100 feet in depth, the front footage shall be considered as the area of the lot or parcel within 100 feet of the sewer divided by 100. (Ord No. 16-77; Ord No. 78-77; Ord No. 51-96; Ord No. 47-2000)

21.210. Deferment of Assessments.

- (a) Collection of an assessment to benefitted property for sanitary sewers may be deferred until a future date, as provided in this section, if any of the following conditions are met:
- (1) The property concerned is outside the city at the time of initial assessment;
 - (2) The property is legally separated from the sewer by another property, such as in the case of a reserve strip. Service may be provided and the deferment terminated if the city provides to the owner of such property an easement across the intervening property;
 - (3) The sewer is laid in an easement across unplatted acreage with the intent of serving some other property. This provision does not apply to acreage fronting on a sewer laid in a public street; or
 - (4) The property owner has not requested the assessment district. Said assessments shall be deferred until a building permit or sewer service is requested, or the lapse of three years from the date of the deferred assessment ordinance, whichever comes first.
 - (5) In the event that property used as a residence or zoned single family residential lies within the assessment district designated to serve industrial lands, the council may elect to defer collection of the assessment proposed against the residential property until any interest in the residential property is transferred, a zone change from

residential use is granted, a change of use from residential occurs, or a building permit or sewer service is requested; and provided further that the property owner has not requested the assessment district.

(6) A transfer of interest occurs under this subsection upon the actual or attempted transfer of any interest in any manner, voluntary or involuntary, including by operation of law or upon the death of the owner. Where ownership is joint transfer occurs upon the death of the survivor having an interest on the date of the deferred assessment ordinance. A transfer of interest does not occur upon the transfer of property from one spouse to the other pursuant to the dissolution of marriage or upon creation of a trust vesting legal title to property in a trustee for family estate planning purposes.

(b) Sanitary sewer service will not be provided to any property against which collection of an assessment has been deferred until an application to connect the property has been made and the Director of Public Works determines that a particular parcel meets the following requirements:

(1) The sewer whose cost is subject of the assessment is capable of serving the assessed property; and

(2) The assessed property is within the corporate limits of the City of Salem.

(c) In the event the Director of Public Works makes the determination provided for in subsection (b) and sanitary sewer is provided to the property, the Director of Finance shall initiate collection procedures as though collection of the assessment had not been deferred and the assessment just levied. (Ord No. 16-77; Ord No. 18-84; Ord No. 36-91; Ord No. 4-93; Ord No. 47-2000)

21.220. Basis of Deferred Assessments. At the time of calculation of assessments for any sanitary sewer project, calculation shall also be made, and the record placed in the appropriate file, for any benefitted property where an assessment has been deferred as provided in SRC 21.210. This cost shall become the basis for any later assessment or connection fee. (Ord No. 16-77; Ord No. 157-81; Ord No. 18-84; Ord No. 96-86; Ord No. 31-92; Ord No. 47-2000)

21.230. Connection Fees.

(a) Except as provided in subsections (d) and (e) of this section, there shall be deposited with every application to connect property to the city sewer, which property has either not been assessed or is subject of a collection deferral under SRC 21.210, a connection fee computed from the rate established for the original assessment district where collection was deferred under SRC 21.210, or a rate established by the city's average cost of constructing an eight-inch sewer for the previous year, for property which has not been assessed.

(b) Notwithstanding subsection (a), when the director of Public Works determines that a property requires a public sewer larger than 8" in diameter due to the use made of a property, the connection fee shall be computed from a rate established by the city's average cost of constructing sewers of the required size for the previous year.

(c) The benefitted area over which the connection fee rate is applied shall be in accordance with SRC 21.180.

(d) Properties reconnecting to sewers or new connection of properties where a sewer service was available prior to 1940, but no record of assessment exists, shall be exempt from this section.

(e) In lieu of paying a connection fee, the owner may make application to pay the fee in installments as provided in the Bancroft Bonding Act in the same manner as assessment liens in the city. In such case the owner shall execute an agreement which constitutes a voluntary

lien against the property which is not subject to Article XI, Section 11b of the Oregon Constitution. Upon filing of such an agreement, approved as to form by the City Attorney, the council shall declare by ordinance the amount of the connection fee and direct the director of finance to enter such connection fee in the docket of city liens. (Ord No. 16-77; Ord No. 183-78; Ord No. 5-81; Ord No. 36-91; Ord No. 31-92; Ord No. 47-2000)

WATER ASSESSMENTS AND CONNECTION FEES

21.270. Properties with Certain Type Service Assessed. Property served by a water transmission main shall be assessed for the cost of a water main of a size necessary to serve said property. Properties which previously have been served by temporary connections may be assessed for the cost of construction of replacement mains. (Ord No. 54-77; Ord No. 3-78; Ord No. 171-78; Ord No. 155-81)

21.280. Property Not Assessed More than Once. Properties having once been assessed for construction of a main that benefit same, or have paid connection fees as provided by SRC 21.340, shall not be again assessed for replacement or enlargement of such mains unless such replacement or enlargement is specifically required due to the use made of the property. Assessment ordinances shall specifically describe the area benefitted by such main construction and no further assessments shall be made to the same benefitted area. (Ord No. 54-77; Ord No. 155-81)

21.290. Assessment for Water Mains.

- (a) Cost of construction of water distribution mains shall be assessed to property benefitted as provided by this chapter and shall include those elements of cost defined in ORS 310.140(10). Except as provided in subsection (b) of this section, an apportionment of the project cost shall be made on the basis of front footage served by the water main, assigning to each lot or parcel of land served the per front-foot cost determined by dividing the assessable cost of the project by the total front footage of all lots or parcels benefitted. Property will be considered as benefitted to a depth of 100 feet from the property line being served or from the main itself if the main is not in a public right-of-way. If the property is irregular in shape, less than 100 feet in depth or abuts the end of a main, the front-footage shall be considered as the area of the lot or parcel within 100 feet of the property line divided by 100.
- (b) Where a water distribution main is constructed to serve industrial lands as ascertained by the council, application of the assessment shall be over the full area of the tract of land involved except for that area that cannot be served by the main. (Ord No. 54-77; Ord No. 18-84; Ord No. 51-96; Ord No. 47-2000)

21.310. Deferment of Assessments.

- (a) Collection of an assessment to benefitted property of the cost of constructing water mains may be deferred until a later date as provided below if any of the following conditions are met:
- (1) The property concerned is outside the city at the time of construction or initial assessment.
 - (2) The property is legally separated from the water main by another property, as in the case of a reserve strip. Service may be made available, and the deferment terminated, if the city provides to the owner of such property an easement across the intervening property.
 - (3) The water distribution main is laid in an easement across unplatted acreage with the intent of serving some other property and no benefit can be shown to the unplatted acreage until such time as it may be subdivided or its development pattern is known. This provision does not apply to acreage fronting on a distribution main in a public street.
 - (4) The water main is a water transmission main constructed to serve industrial lands

as determined by the council; and provided further that the property owner has not requested the assessment district. Collection of said assessments shall be deferred until a building permit or water service is requested, or the lapse of three years from the date of the deferred assessment ordinance, whichever comes first.

(5) In the event that property used as a residence or zoned single family residential

lies within the assessment district designated to serve industrial lands, the council may elect to defer collection of the assessment proposed against the residential property until any interest in the residential property is transferred, a zone change from residential use is granted, a change of use from residential occurs, or a building permit or water service is requested; and provided further that the property owner has not requested the assessment district.

(6) A transfer of interest occurs under this subsection upon the actual or attempted transfer of any interest in any manner, voluntary or involuntary, including by operation of law or upon the death of the owner. Where ownership is joint transfer occurs upon the death of the survivor having an interest on the date of the deferred assessment ordinance. A transfer of interest does not occur upon the transfer of property from one spouse to the other pursuant to the dissolution of marriage or upon creation of a trust vesting legal title to property in a trustee for family estate planning purposes.

(b) Water service will not be provided to any property against which collection of an assessment has been deferred until an application for water service has been made and the Director of Public Works determines that a particular parcel meets the following requirements:

(1) The water line whose cost is subject of the assessment is capable of serving the assessed property; and

(2) The assessed property is within the corporate limits of the City of Salem.

(c) In the event the Director of Public Works makes the determination provided for in subsection (b) and water service is provided to the property, the Director of Finance shall initiate collection procedures as though collection of the assessment had not been deferred and the assessment just levied. (Ord No. 54-77; Ord No. 18-84; Ord No. 36-91; Ord No. 4-93; Ord No. 47-2000)

21.320. Basis of Deferred Assessment. At the time of calculation of assessments for any water main construction project, calculation shall also be made, and the record placed in the appropriate file, for any benefitted property which may for any reason be deferred. This cost shall become the basis for any later assessment or connection fee. (Ord No. 54-77; Ord No. 157-81; Ord No. 96-86; Ord No. 31-92; Ord No. 47-2000)

21.330. Use of City Water Not Mandatory. Although each property benefitted by construction of a water main will be assessed for its share of cost of construction, connection to the main and use of city water will be optional with the owner. (Ord No. 54-77)

21.340. Connection Fees.

(a) Except as provided by SRC 72.067 to 72.086, and subsections (b) and (c) of this section, there shall be deposited with every application to connect property to the city water system, which property has either not been assessed or is subject of a collection deferral under SRC 21.310, a connection fee computed from the rate established for the original assessment district for assessments deferred under SRC 21.310, or a rate established by the average cost of constructing an eight-inch water main for the previous year, for properties which have not

been assessed. The benefitted area over which the rate is applied shall be in accordance with SRC 21.290. As used in this subsection, "connect property" shall mean the connection of property for either domestic service or fire service.

(b) Properties reconnecting to a main or making a new connection to a main where water service was available prior to 1940, but no record of assessment exists, shall be exempt from this section.

(c) In lieu of paying a connection fee, the owner may make application to pay the fee in installments as provided in the Bancroft Bonding Act in the same manner as assessment liens in the city. In such case the owner shall execute an agreement which constitutes a voluntary lien against the property which is not subject to Article XI, Section 11b of the Oregon Constitution. Upon filing of such an agreement, approved as to form by the City Attorney, the council shall declare by ordinance the amount of the assessment and direct the director of finance to enter such assessment in the docket of city liens. (Ord No. 184-78; Ord No. 78-79; Ord No. 5-81; Ord. No. 65-88; Ord No. 36-91; Ord No. 31-92; Ord No. 30-97; Ord No. 47-2000)

STREET, ALLEY AND STREET LIGHT ASSESSMENTS

21.350. Method of Assessment for Street, Sidewalk and Alley Improvements.

(a) Special benefit is deemed to all adjacent and abutting property for street improvements which shall be proportionately liable to assessment for one-half of the full cost of the improvement of the street or streets adjacent thereto or upon which the same abuts and shall be assessed on the following basis:

(1) For streets in blocks, property shall be assessed back to the alley or, in lieu of any alley, to the center of the block. For alleys, in blocks only, the abutting property shall be assessed based upon the area of the property. Acreage shall be assessed half way to the next parallel street but in no case more than two hundred feet distant perpendicular from the street under improvement.

(2) In case of triangular and small irregular blocks and parcels of land, the assessment for the cost of street improvement shall not exceed the average superficial area rate of assessment upon the regular blocks within such improvement district. The excess shall be assumed by the City of Salem.

(b) The cost of curbs shall be assessed by zones, in all cases, against the abutting and adjacent property on the same side of the street as the curb is installed; and the cost of sidewalks, shall be assessed against the abutting and adjacent property on the same side of the street as the sidewalk or on both sides of the street or against the abutting and adjacent property on both sides of the street where the walk is constructed in such proportion as the council may deem equitable or, if the council deems to walks beneficial to all property liable for the cost of the street improvement, against all such property regardless whether the sidewalks are laid on one or both sides of the street or any combination of these methods.

(c) Property liable to assessment for street improvements shall be divided into three zones of equal width lying parallel to the improvement. These three zones shall be assessed in proportion to their superficial area together upon the following basis:

(1) The zone next to the street under improvement shall be assessed on a basis of fifty percent of the cost of said improvement. The second zone shall be assessed on a basis of thirty percent of such cost; and the third zone shall be assessed on a basis of twenty percent of such cost. The cost of improving alleys shall be assessed in the same manner as the cost of improving streets.

(2) The cost of improving all street and alley intersections shall be assumed by the City of Salem.

(d) Notwithstanding subsection (a) of this section, where a street is to be improved to one-half or less of its width, the council may assess the full cost thereof against the property on one side of the street and benefitted by the improvement. (Ord No. 51-96; Ord No. 72-2002)

21.360. Street Lighting Local Improvement District; Initiation. The council, upon its own motion or upon petition of owners of property which would be specially benefitted by the installation of street lights, may initiate consideration of the improvement. (Ord No. 30-97)

21.370. Method of Assessment for Street Light Districts. Assessments for street lighting improvement projects shall be apportioned upon the basis of the number of lots in the subdivision by dividing the actual cost of the project by the total number of lots. (Ord No. 30-97)

21.380. Advertisement Procedure for Local Street Light Assessment Procedures. The council shall invite bids for local street light improvements by giving notice by publication one date in a daily newspaper in the Salem area, and sending the notice to those on the bidders list. (Ord No. 30-97)

21.390. Method of Assessment for Neighborhood Traffic Management Improvements. The methodology for determining the identified project area for a Neighborhood Traffic Management Process LID is identified in the Neighborhood Traffic component of the *Salem Transportation System Plan* adopted under SRC 64.230. (Ord No. 91-99)