

RESOLUTION NO. 1685

A RESOLUTION APPROVING ASSESSMENT, LIEN AND INSTALLMENT PAYMENTS OF TENANT IMPROVEMENT SYSTEMS DEVELOPMENT CHARGES FOR THE OLD TOWN VILLAGE COMMERCIAL PROJECT ON BOONES FERRY ROAD.

WHEREAS, Tim and Melodee Knapp are completing construction of a 12,500 square foot commercial project named Old Town Village in the City of Wilsonville on Boones Ferry Road and 5th Street; and

WHEREAS, the Old Town Village project has been designed to set up a favorable example for the prospective redevelopment of Old Town; and

WHEREAS, construction of this project assists the city in providing for development of Old Town in accordance with the West Side Planning; and

WHEREAS, Tim and Melodee Knapp have requested that the payment of the systems development charges for the tenant improvements in the amount of \$30,000 be allowed by installment payments over a ten-year period; and

WHEREAS, Tim and Melodee Knapp represented to the city documentation that the fair market value of the property after current mortgages, taxes and any financial, is two times the principal sum of \$30,000; and

WHEREAS, Article VI of Ordinance No. 386 allows payment of the systems development charges in installments as provided by resolution of the Council; and

WHEREAS, the Article VI of Ordinance No. 386 allows that the City Manager may accept the delivery of a written agreement to pay if the written agreement is secured by collateral satisfactory to the City Manager or her designee; and

WHEREAS, the city needs to collect installment payments at an interest rate sufficient to cover the city's cost of borrowing money and the cost of administering the collection by installment payments; and

WHEREAS, interest charged by the city on this installment payment plus 1% for administration is a total 7.5 percent; and

WHEREAS, Tim and Melodee Knapp have indicated that their construction funding includes possible early repayment of the loan for systems development charges; and

WHEREAS, Tim Knapp and Melodee Knapp would like the option to pay the systems development charges by lump sum soon after construction is completed if available funds permit.

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

1. The City Council adopts above recitals as findings and incorporates them by reference in support of this resolution.

2. The City Council hereby approves payment of the systems development charge for tenant occupancy of the Old Town Village Commercial project by installments in the amount of \$12,000 for the balance of SDC's currently due, subject to the following conditions:

- 2.1. The amount of \$12,000 principal together with interest of 7.5% per annum from the date this resolution is adopted shall be assessed against the property described below for system development charges for tenant occupancy of the Old Town Village Commercial project and shall be a lien against the subject property, which shall be duly recorded in the City's Lien Docket in accordance with WC 3.258(1);
- 2.2. That Tim Knapp and Melodee Knapp shall acknowledge and accept the assessment and lien securing obligation to pay the city shall be placed against their property;
- 2.3. The subject property is described as follows: Tax lots 3S-1W-23DB, Nos. 102, 102A and 103 in the City of Wilsonville, Clackamas County, Oregon, commonly known as 30623, 30625, and 30775 SW Boones Ferry Road;
- 2.4. The payment of the \$12,000 principal together with interest of 7.5% per annum from December 18, 2000, shall be paid in equal semi annual installments over a term of ten years of \$ _____ commencing six months from the date of this resolution, i.e., the first installment would be due June 18, 2001, and the next on December 18, 2001, et. seq. until fully paid;
- 2.5. If any payment is more than ten days late, a late fee of \$100.00 shall be charged. If any payment is 30 days in arrears, then the city may consider

the principal balance and any accrued interest fully due and payable and proceed with any lawful remedy including, but not limited to, enforcement of collection of the assessment by foreclosure of the lien by advertisement and sale. The city shall be entitled to its costs, disbursements and reasonable attorney fees in any action, proceeding or appeal to collect the sums due and owing the city; and

- 2.6. Payments will be credited to the appropriate systems development charge accounts at the time of their collection. Early repayment of the assessment is allowed provided any repayment sums shall first be applied to any accrued interest, then to principal; and
- 2.7. This assessment lien of the city shall be superior and prior to all other liens or encumbrances on property insofar as state law permits, save and except the Knapp's mortgage to Liberty Bank, its successors or assigns; and
- 2.8. Upon payment in full, the city shall remove the assessment lien from its document as having been satisfied; and
- 2.9. Nothing in this resolution is intended to prevent the city from foreclosing by advertisement and sale or entering a bid on the property offered at a foreclosure sale or to limit the city's remedies as cumulative.

The invalidity of any section clause, sentence or provision of this resolution shall not affect the validity of any other part or section of this resolution that can be given effect without such invalid part.

ADOPTED by the Wilsonville city council at a regular meeting thereof this 18th day of December, 2000, and filed with the Wilsonville City Recorder this date.

CHARLOTTE LEHAN, Mayor

ATTEST:

Sandra C. King, City Recorder, CMC

SUMMARY OF VOTES:

Mayor Lehan	<u>Yes</u>
Councilor Helser	<u>Yes</u>
Councilor Barton	<u>Yes</u>
Councilor Kirk	<u>Yes</u>
Councilor Holt	<u>Yes</u>