

REIMBURSEMENT DISTRICTS



Due to the nature of sanitary and stormwater infrastructure, there are times when a project benefits nearby properties as well as the property for which it was intended. The Board of Clean Water Services (CWS) has therefore adopted an Ordinance which provides a mechanism for the Developing Party to share the project costs with other Benefitted Parties.

The cost sharing does not happen immediately. A Reimbursement District must be formed, and Properties only become subject to the charge if they connect to the project.

What improvements are eligible for reimbursement?

Eligible projects are sanitary sewer or stormwater improvements which benefit nearby property owners to the extent that they are relieved of corresponding obligations during subsequent development of their property. Examples include:

- Extension of a sanitary or storm sewer pipeline that makes service available to properties which are off-site and downstream of the Developing Party's own property.
- Construction of a sanitary or storm sewer pipeline of larger, deeper or greater capacity than necessary to serve the property of the Developing Party in order to provide future service to other properties.
- Construction of a surface water treatment project larger or with greater capacity than necessary to meet the stormwater quality and/or quantity requirements of the property of the Developing Party.

Extension of the public conveyance system "to and through" the development property to allow all adjacent upstream parcels to be served by the public system is a requirement of development and is therefore not eligible for reimbursement.

What project costs are eligible for reimbursement?

- Construction
- Labor
- Materials
- Supplies
- Equipment
- Property acquisition
- Permits
- Engineering
- Financing



How to request the formation of a Reimbursement District

Any Developing Party can petition the CWS Board to form a Reimbursement District. An application can be made as early in the project process as desired, but no later than 90 days after the District accepts the improvements as complete. The request must be in writing, and include:

- ✓ Application form (available from Resource Directory section of cleanwaterservices.org/permits-development)
- ✓ Detailed plans or drawings showing the actual location and extent of all improvements
- ✓ Identification of property, ownership, and mailing addresses, for all specially benefitted properties from which reimbursement is sought
- ✓ Map of benefitted properties
- ✓ Project costs evidenced by engineers' estimate, bids, invoices, or other similar documents
- ✓ Proposed formula or methodology for allocating project costs
- ✓ Reimbursement District application fee (see cleanwaterservices.org/rates)

A full description of the process and submittal requirements can be found in Ordinance 41.

Reimbursement District Application

Applicant Information

Applicant Name: _____ Engineer: _____
 Address: _____
 Phone: _____

Application Requirements

As-built plans for constructed improvements or detailed drawings showing the actual location, extent and extent of all improvements for which reimbursement is sought.
 The parcel of property identified by owner's parcel ID number which are property Specially Benefitted by the improvements and from which reimbursement is sought.
 The ownership and mailing addresses of parcels identified as Specially Benefitted Properties according to the zoning records of the County Department of Assessment and Taxation.
 A map showing the proposed Reimbursement District Boundary and associated Specially Benefitted properties.
 Actual or estimated detailed direct and indirect costs to construct the Qualified Project.
 New Refundable Application Fee of \$100

General District Information

Project Name: _____
 Project Description/Location: _____

Payment District Dates

Estimated Start Date for Construction: _____
 Estimated Completion of Construction: _____

Completed Project Dates

Estimated Start Date for Construction: _____
 Estimated Completion of Construction: _____

Project Cost Information (from attached cost estimate)

Total Project Cost (Estimate): _____
 Total Project Cost (Actual, if construction is complete): _____

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How are project costs allocated?

The approach to distributing costs will vary depending on the nature of the work and project specifics. Examples include:

- A proportional distribution of costs based on benefitted land area
- A proportional distribution of costs based on number of connections
- A formula that makes adjustments related to zoning
- A formula that makes adjustments related to ease of future connection.

What is the review and approval process?

1. CWS staff will review the application and evaluate the proposed benefitted area, reimbursable costs, and formula for cost distribution. Staff will prepare a recommendation to the Board on whether a Reimbursement District should be established; the staff recommendation may include recommended adjustments for accuracy or consistency with prevailing market rates for similar projects.
2. CWS will mail a public notice to all owners of properties within a proposed Reimbursement District. The mailing will include a description of the project, reimbursement sought, and the cost distribution proposal.
3. The CWS Board will hold at least one public hearing on the proposed Reimbursement District, providing any person the opportunity to comment on or object to the proposal. These hearings typically take place during a Board meeting.
 - If the application is submitted prior to construction of the improvements, the Board will hold an initial public hearing using estimated costs. If a Reimbursement District is formed at that time, a second public hearing is necessary after the project is complete to reconcile estimates with actual project costs.
 - If the application is submitted after the District accepts the improvements as complete, only one public hearing, with final cost information, is required.
4. After hearing the staff recommendation and any public comment, the Board will have the option to modify the benefitted area, reimbursable costs, and/or the cost distribution proposal.
5. The Board will determine whether to adopt a Reimbursement Resolution and Order, thereby establishing a Reimbursement District.

When does a Benefitted Party pay the Reimbursement Charge?

A property owner who is in the Benefitted Area but does not connect to the improvement will not be charged for Reimbursement. A Benefitted Party only needs to pay the Reimbursement Charge if they connect to the improvement for which the Reimbursement District was formed. Connection may include:

- Physical connection to the improvement, or
- Creating impervious surface that drains to the public system.

CWS will collect the Reimbursement District Charge at the time that the Benefitted Party's connection permit is approved, and will distribute the funds to the Developing Party, less an administrative fee.

If the Developing Party is CWS, the reimbursement charge will be assessed at any time in the future that a benefitted property connects to system. If the Developing Party is a private developer, or any public entity other than CWS, the reimbursement charge will be assessed if the benefitted property connects to the system within 10 years of the improvement.

Revised June 2016



Resources

View our rates: cleanwaterservices.org/rates

Request a copy of Ordinance 41: permits@cleanwaterservices.org or 503.681.5100.

Visit cleanwaterservices.org/permits-development for these and many other resources:

- Reimbursement District Application
- Design & Construction standards

The CWS Development Services group is here to review your project in the most effective and efficient way, while protecting the Tualatin River Watershed. Our partners include municipalities, environmental organizations, and developers large and small.


Clean Water Services

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