

MEMO

To: Clint Spencer, City Planner, and Rich Tovey, City Attorney, City of Hermiston
From: Joshua Lott, P.E.
Subject: Properties Benefiting from Diamond Run Water Main Extension
Date: February 2, 2023
Job/File No. 736-135-02
cc: Mark Morgan, City of Hermiston

The developer of the Diamond Run subdivision, Home Run Land LLC, is seeking repayment for the installation of a water main installed to the northwesterly extent of the subdivision. Although several sections of the Code of Hermiston address agreements and/or repayments to a developer in this type of situation, the agreement with Home Run Land LLC, particularly references *The Code of Hermiston, Title XV, Chapter 157 "Zoning," Section 157.164 item (F)*, which is included below for convenience:

"Where the improvement installed by a developer shall benefit other properties, a mutually agreeable settlement shall be arrived at between the city and the developer prior to installing the improvements. This agreement shall identify the benefitting properties, actual costs to be charged and method of repayment to the developer. Where prior agreement exists for improvements benefiting the subject property, the applicant shall make arrangements with the city for the payment of the improvements prior to issuance of any city permit."

After discussions among the City, the developer, and other related parties, the City has requested Anderson Perry & Associates, Inc. (AP) determine whether four properties benefit from the installation of the water main. The four properties are shown on Figure 1 and include Tax Lots 4N2812B000302, 4N2812BA00377, 4N2812A000801, and 4N2812A000800. The utilities installed as part of Diamond Run subdivision, Phase 1 are also shown, while the utilities for Phases 2 and 3 are not since those phases are not yet complete. Also, Figure 1 does not show the individual lots within the Diamond Run subdivision.

The new 12-inch ductile iron water main installed along the E. Diagonal Boulevard right-of-way is immediately adjacent to Tax Lots 4N2812B000302 and 4N2812BA00377. These lots directly benefit from the installation of the new water main, as the property owners now have the option to tap directly into the city-owned main to have City water provided to their respective properties.

Tax Lots 4N2812A000801 and 4N2812A000800 do not benefit the same as the other two tax lots. The new water main extension is not directly adjacent to these lots and would need to be further extended to allow these properties to be served with City water. Furthermore, another water main located to the south in S. Townsend Road has the potential to be extended by other developers. Since development patterns are difficult to predict, there is no guarantee as to which line would be extended to serve these

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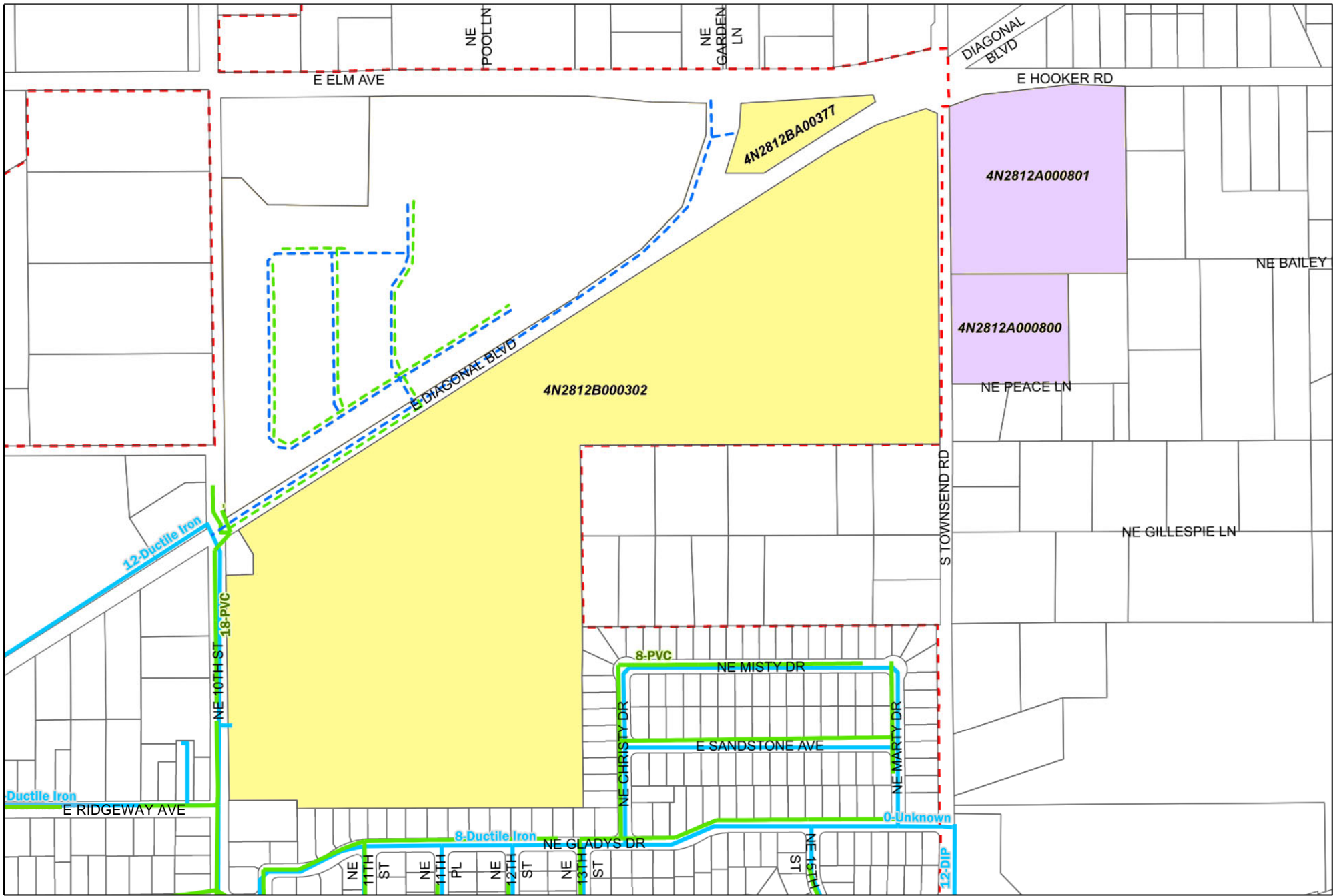
lots at the time they are developed. However, if the water main on E. Diagonal Boulevard is extended to Tax Lots 4N2812A000801 and 4N2812A000800, then they would indirectly benefit. Any other benefits (i.e., an increase in property value) are difficult to determine and measure, and thus are omitted from this memo.

It is AP's opinion that Tax Lots 4N2812B000302 and 4N2812BA00377 benefit from the installation of the new water main in a direct, measurable, and tangible way. It is also AP's opinion that Tax Lots 4N2812A000801 and 4N2812A000800 could indirectly benefit from the new water main, depending on development patterns and progression in the surrounding area.

JL/ct

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FIGURE 1



- Diamond Run Sewer Installation
- Diamond Run Water Installation
- Existing Sewer Main
- Existing Water Main
- City Limits
- Potential Benefiting Properties
- Benefiting Properties

