



## NEWS RELEASE

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### **LAKE OSWEGO ADOPTS IMPROVED INFRASTRUCTURE FUNDING METHOD**

LAKE OSWEGO – Encouraging private developers to build public improvements by easing their financial burden is the goal of code changes adopted by the Lake Oswego City Council on May 6, 2008. Changes to the City Code regarding “Zones of Benefit,” (ZOB) lengthen the term of a ZOB from 10 years to 25 years, allow for adjustment of the reimbursement amount over time due to inflation, and include non-construction costs, such as engineering and permit fees in determining initial reimbursement amounts.

A Zone of Benefit is an area that benefits from the installation of sewer, water or street improvements financed by a private party, such as a developer or the City. As others in the benefited area take advantage of the improvements, e.g., connect to the sewer, those residents pay back a portion of the costs to the party who installed the improvement.

“The code changes should improve the attractiveness of using this financing method by allowing developers to recoup the true value of their initial investment over time,” said John Kennedy, Acting City Engineer.

Homeowner Ron Berg, who recently paid for a 216 foot sewer extension that would benefit two neighbors, states, “The Zone of Benefit will help me recover some of my costs. If my neighbors choose not to hook up to the new sewer extension today, I would be reimbursed a fair amount at the time they do decide to hook up.”

For more information contact John Kennedy, Interim City Engineer, 503-635-0264.