A RESOLUTION FOR THE ADOPTION OF ENGINEERING AND FINANCIAL INVESTIGATION REPORTS, AUTHORIZATION TO SECURE EASEMENTS, TO OBTAIN BIDS, TO INCREASE APPROPRIATIONS, AND TO ISSUE WARRANTS FOR THE CONSTRUCTION OF ST-95-3, TIMBER STREET/DOGWOOD AVENUE LID.

BE IT RESOLVED that the engineer's report of the Public Works Director and the financial investigation report of the Finance Director filed with the City Recorder on the 10th day of May 1995, concerning ST-95-3, Timber Street/Dogwood Avenue LID, be and the same are hereby adopted.

BE IT FURTHER RESOLVED that the Council authorize the Mayor and City Recorder to sign agreements on behalf of the City of Albany for the purpose of obtaining easements to construct the said improvements, direct the City Manager to obtain bids for the construction of said projects as required by law, and authorize the Mayor and City Recorder to make, issue, and negotiate General Obligation Improvement Warrants for the performance of said improvements, bearing interest, and constituting general obligations of the City of Albany. The terms of conditions of such warrants shall be as provided by ORS 287.502 to 287.510.

BE IT FURTHER RESOLVED that funds budgeted within the Improvement Fund be appropriated as follows:
Improvement Fund
26-985-73000
26-985-88019

DATED this 24th day of May 1995.

FROM
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$\mathbf{\$ 1 , 8 9 1 , 8 0 0}$


ATTEST:
Mra C. Wether Dent City Recorder
realise



| TO: | Albany City Council |
| :--- | :--- |
| VIA: | Steve Bryant, City Manger |
|  | Mark A. Yeager, P.E., Public Works Director |
| FROM: | Richard Dalke, Engineering Associate II |
| DATE: | May 3, 1995, for May 10, 1995, City Council Meeting |

SUBJECT: ST-95-3, Timber Street/Dogwood Avenue LID

## Action Requested:

The Committee recommends Council accept the engineer's report and financial investigation and set a public hearing to consider the formation of a Local Improvement District (LID) for the street and utility improvements in the vicinity of the proposed fairgrounds.

## Discussion:

This project will provide access improvements for the fairgrounds site and utilities to the surrounding area. During the planning stages of the Linn County fairgrounds relocation, Timber Street and Dogwood Avenue were identified as needing improvement to City standards in order to provide an adequate level of service to that property. The Linn County Board of Commissioners has requested that the City form an LID for the distribution of the project costs. Petitions and waivers of remonstrance have been received as conditions of previous development approval from property owners along the east side of Timber Street between Willamette and Dogwood Avenue and on the north side of Dogwood from Gold Fish Farm Road to Timber Street. The east end of Dogwood on the south side is presently outside of the city limits. It will be necessary for the Linn County Board of Commissioners to adopt a resolution in accordance with ORS 223.878, which will allow street assessments to be made outside of the city limits.

Three parcels that have future benefit from the water and sewer improvements are outside the City limits and cannot be connected at this time. It is proposed that the City pay these assessments and in-lieu-of assessment charges be levied when the these properties are annexed to the City.

## Description of Project and Proposed Improvements:

Streets. The proposed fairgrounds is bounded by Knox Butte Road, Timber Street, Price Road, and the airport runway. The streets that this report deals with are:

1. Timber Street, Knox Butte Road to Dogwood Avenue
2. Dogwood Avenue from Gold Fish Farm Road to Price Road

Preliminary design calls for Timber Street to be 46 feet wide with curb and gutters. Dogwood Avenue is planned for a 36 -foot-wide street with curb and gutters. Drainage will be provided as necessary. The west side of Timber Street is presently part of the entire City property parcel. Right-of-way will have to be dedicated for road and utility usage prior to the transfer to the County.

Sidewalks. Sidewalks will be placed along both sides of the streets to be improved.
Water and Sewer. Water and sanitary sewers are proposed for Dogwood Avenue. Three lots on the east side of Timber Street will have sewer connections placed and a waterline installed. The waterline on Dogwood Avenue will be 12 -inch diameter with assessments based on an equivalent cost of an eight-inch line and the City funding the oversizing costs.

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May 3, 1995, for the May 2, 1995, City Council Meeting

## Summary of Estimated Costs:

The estimated project cost is based on recent projects constructed in the Albany area. After the project is completed, actual costs will be used to calculate the assessments based on the adopted method of assessment.

| Estimated costs: |  |
| :--- | ---: |
| Street, sidewalk, and storm drain | $\$ 1,551,000$ |
| Sanitary sewer | 112,500 |
| Water (cost of equivalent 8-inch line only) | 155,400 |
| Three sewer service connections | 4,500 |
| Estimated Assessable Costs | $\$ 1,823,400$ |
| City participation for waterline | $\mathbf{6 8 , 4 0 0}$ |
| oversizing |  |
| Estimated Total Project Costs | $\$ 1,891,800$ |

## Proposed Method of Assessment:

The assessment distributions are calculated on an area basis. The street costs are distributed to a maximum depth of 100 feet for residential property and include all of the fairgrounds property lying south of the motel and armory properties. The City park land south of Dogwood is assessed to a maximum depth of 250 feet (the approximate north line of Timber Lake). The street assessments to residential properties represent approximately 45 percent of an equivalent residential street.

Water and sanitary sewers are proposed to be assessed to the property benefited to a maximum depth of 100 feet. The specific property cost is tabulated on the attached sheets. Sewer costs are not distributed to the City park land as the park currently has sewer service available near Timber Street for existing facilities.

## Unit Cost Assessment:

Street and storm drain
Sanitary sewer
Water
Service connections

| $\$ 1,551,000 / 2,268,388$ | $=\$ 0.68375 /$ square foot |
| :--- | :--- |
| $\$ 112,500 / 141,531$ | $=\$ 0.79488 /$ square foot |
| $\$ 155,400 / 322,459$ | $=\$ 0.48192$ square foot |

\$1,500 each

## Proposed Project Schedule:

The project will not proceed before the City and the County have a formal agreement for the property transactions. The schedule below assumes that will occur prior to July 1995.

The proposed schedule is:

LID Public Hearing
City/County Property Transaction Agreement
Design
Bid Advertisement
Construction

May 24, 1995
June 1995
Fall 1995
Spring 1996
Summer 1996
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May 3, 1995, for the May 2, 1995, City Council Meeting
Budget Impact:
The project will have a budgetary impact as follows:

| City water fund (oversizing costs) | 68,400 |
| :--- | ---: |
| Individual assessments to private owners | 358,900 |
| Linn County | $1,365,100$ |
| City Parks | 66,500 |
| City pick-up for water and sewer lines |  |
| outside the City limits |  |
| TOTAL | $\$ 1,891,800$ |

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-Paroolt ouride Ciry limita Ciry will pickup amemanta
a Water and somef amomenome and City pickup are apportioned for this property according to the ares within the city limite
When propersios are annesod, an ameomble ampount will be collected.

| OWNER OF RECORD | PAOPERTY DESCRITTON | \% OF PROEET | $\begin{gathered} \text { ESTMMATED } \\ \text { TOTAL } \\ \text { ASSESSMENT } \end{gathered}$ | BOND MAXMMUM | Assessed ***TRUE LAND | Valuation as of ASH VALUE IMPRVMTS | pt. 1994 4/1905*** TOTAL | OTHER ASSMT | $\begin{gathered} \text { \% TO } \\ \text { TCV } \end{gathered}$ | 10 YEAR SEMIANNUAL PAYMENT AT $6 \%$ | 10 MR MO. PAMMT AT $8 \%$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| City of Albany <br> PO Box 490 <br> Albany, OR 97321 | 113W-040-00100* <br> Afrory <br> Parcel 1 | 0.055 | \$90,577.27 | 1,591,947 | 71,493 | 724,480 | 795873 | 0.00 | 013 | 7,855.12 | 1,261.40 |
| Chy of Albary <br> PO Bax 400 <br> Afbeny, Of 97321 | 11.3W-04D-00100*. <br> Fargrounds <br> Parcel 2 | 0.555 | \$1,012054,38 | 997,788 | 498,884 | 0 | 49,884 | 0.00 | 203 | 77,848.98 | 12827.88 |
| Chty of Albany <br> PO 80x 490 <br> Albany, OR 97321 | 11.3W-04D -00100* Arport/limber Linn Park Parcel 3 | 0.175 | \$319,305.72 | 7.418446 | 2.742883 | 988,380 | 3,709,223 | 0.00 | 0.09 | 24,548.99 | 4,044.83 |
| Phimips, Robert F. <br> Phumps, Carolyn A <br> 3800 Wiliamette Avenus SE <br> Albany, OR 97321 | $113 W$-04DA-00100 Sta: 3800 Wharnette Ave SE | 0.002 | \$2.769.17 | 112680 | 16,690 | 39,680 | 58340 | 0.00 | 0.05 | 21288 | 33.08 |
| Sanford, dulie 154 Scraval Him Rd. NE Albany, OR gTSzi | $113 W-04 D A-10800$ Sth: 300 Western St | 0.030 | \$55384.07 | 1,844,700 | 90,990 | 825,380 | 922350 | 0.00 | 0.08 | 4,257.71 | 701.58 |
| Valley Aftordable Housing, he. PO Box 528 West Linn, OR 87088 | 11.3W-04DA-10700 | 0.005 | \$9,428.54 | 18,080 | 0,530 | 0 | 9,530 | 0.00 | 0.99 | 724.68 | 118.41 |
| Valley Affordable Housing, inc. PO Box 528 West Lim, OR 97088 | 11.3 W-04DA-10000 | 0005 | \$9,309.97 | 19,000 | 9,530 | 0 | 9,530 | 0.00 | 0.98 | 71571 | 117.83 |

*Tax Let 100 is currently pending a three parcel partitioning, PA-05-85; the land value was proportionately dildad to the three parceis based on square footage. Currently, the City and Linn County are nagotating an agreement that the Clty would donate Parcel 2 of Tax Lot 100 to Linn County, and Linn County would pay the Timber St/Dogwood Ave LD assessments for Tax Lot 100.

Street, Btorm Draln, Sewer, Water, 8 s Connection

| OWNER OF RECORO | PROPERTY DESCRIPTION | \% OF PROSECT | ESTMATED TOTAL ASSESSMENT | BOND MAXIMUM | Assessed ****TRUE LAND | Valuation as o CASH VALUE MPPRMMTS | $\begin{aligned} & \text { A Sept } 1994 \\ & \text { 1994/1995*** } \\ & \text { TOTAL } \end{aligned}$ | OTHER ASSMT | $\begin{aligned} & \text { \% TO } \\ & \text { TCV } \end{aligned}$ | 10 YEAR SEMI-ANNUAL PAYMENT AT $9 \%$ | 10 YA MO. PAYMT AT $\% \%$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Valley Affordable Housing, me. PO BOX 528 <br> West Lim OR 97088 | 11-3W-04DA-10500. | 0.005 | \$8,300.97 | 19,000 | 0,530 | 0 | 9,530 | 0.00 | 0.98 | 715.71 | 117.93 |
| Valley Afiordable Houstig, he. PO Box 528 <br> West Lhm, OR 97008. | 11.3W-040A-10400 | 0.004 | \$7,809.87 | 19,000 | 9,530 | 0 | 9,590 | 0.00 | 0.82 | 800.40 | 98.83 |
| Valley Afiordable Housing, he. PO Box 528 West Lhm, OR 97089 | 11.3 W-04DA-10300 | 0005 | \$8,341.68 | 18,880 | 8,340 | 0 | 8,340 | 0.00 | 1.12 | 71815 | 118.34 |
| Valley Affordable Housing, he. PO Box 528 West Lim, Of 97088 | 11-3W-04DA-10200 | 0.004 | \$8,801.89 | 18,880 | 8340 | 0 | 8,340 | 0.00 | 0.79 | 507.53 | $83.63$ |
| Valley Affordable Housing, inc. PO Box 528 <br> West Lim, OR 97088 | 11.3W-04DA-08300 | 0007 | \$1298823 | 18.800 | 8,340 | 0 | Q 340 | 000 | 1.58 | 998.48 | 184.53 |
| Valay Aftordabia Housing, he. PO Bax 68 West Lim, OR 97088 | 11.3W-04DA-00400 | 0.007 | \$12743.55 | 14,300 | 7.150 | 0 | 7,150 | 0.00 | 1.78 | 878.67 | 181.43 |
| Valloy Affordable Housing, hc. PO Box 628 <br> West Lm, OR 97088 | 11.3W-04DA-00500 | 0.007 | \$12743.65 | 14,300 | 7.150 | 0 | 7,150 | 0.00 | 1.78 | 979.67 | 161.43 |
| Valley Affordable Housing, the. PO Box 628 West Lhm, OR 17088 | 11-3W-04DA-09000 | 0.007 | \$12839,60 | 14,300 | 7,150 | 0 | 7,150 | 0.00 | 1.81 | 994.75 | 183.81 |


| FINANCIAL INVESTIGATION REPORT - BECTIONS 1 \& 2 TIMBER STREET / DOGWOOD AVENUE LI.D. - 8T-98-3 <br> 8treet, gtorm Draln, Bewer, Water, 88 Connection |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| OWNER OF FECORD | PROPEATY DESCRIPTION | \% OF PROEECT | ESTMMATED TOTAL ASSESSMENT | BOND MAXOMUM | Assessed ****TRUE LAND | Valuation as of CASH VALUE IMPRVMTS | $\begin{gathered} \text { of Sept: } 1904 \\ \hline 1994 / 1995^{* * *} \\ \text { TOTAL } \end{gathered}$ | OTHER <br> ASSMT | $\begin{aligned} & \text { \% TO } \\ & \text { TCV } \end{aligned}$ | 10 YEAR SEMAANMAL PAYMENT AT $8 \%$ | 10 YR MO. PAYMT AT $8 \%$ |
| Valiey Affordabla Houshg, inc. PO Box 528 West Lhm, OR 97088 | 113W-040A-09700 | 0.007 | - \$1297205 | 18,680 | 8,340 | 0 | Q 340 | 0.00 | 1.58 | 997.24 | 164.32 |
| Valiay Affordable Housing, inc. PO BOX 528 West Lhn OR g7088 | 11-3W-04DA-07300 | 0.007 | \$1297205 | 16,690 | 8,340 | 0 | 8.340 | 0.00 | 1.56 | 897.24 | 184.32 |
| Valley Affordable Housing, he. PO Box 688 <br> West Linn OR 97088 | 11-3W-04DA-07400 | 0007 | \$12743.55 | 14,300 | 7,150 | 0 | 7,150 | 0.00 | 1.78 | 978.67 | 161.43 |
| Vallay Aftordabla Housing inc. PO Box 528 <br> West Lhn OR 97088 | 11-3W-04DA-07500. | 0.007 | \$12743.55 | 14,300 | 7,150 | 0 | 7.150 | 0.00 | 1.78 | 878.87 | 161.43 |
| Vallay Aftordabla Housing, inc. PO Box 528 West Lhn, Of 97088 | 113W-04DA-07600 | 0.007 | \$1274355 | 14,300 | 7.150 | 0 | 7.150 | 0.00 | 1.78 | 979.87 | 101.43 |
| Valley Affordable Housing, ince PO Box 528 <br> West Lim, OR 87088 | 113W-04DA-07700 | 0.007 | \$12743.55 | 14,300 | 7.150 | 0 | 7,150 | 0.00 | 1.78 | 978.67 | 181.43 |
| Vallay Altordabla Housing, hac. PO Box 528 West Linn, OR 97088 | 11.3W-040A-07800 | 0.007 | \$12743.55 | 14,300 | 7,150 | 0 | 7.150 | 0.00 | 1.78 | 979.67 | 181.43 |
| Vallay Attordabla Housing, inc. PO Box 528 Wast Lim, OR 97088 | 11.3W-04DA-07900 | 0.007 | \$12743.65 | 14,300 | 7,150 | 0 | 7.150 | 0.00 | 1.78 | 979.87 | 161.43 |



* These parcels are outside Clity limits and the City will pay for the sower and water assessments. When the properties are annexed an assessable amount will be collected.

Section 3. Number of similar lots and properyy held by the City through foreclosure.
The City does not hold any other similar lots through foreclosure; however, the Timberlinn Addition was subject to foreclosure in 1991 because of delinquent sewer assessments. After nearly a year of negotiations, the assessments were paid off by Valley Affordable Housing and Nicholas Knapp.

Section 4. Delinquency rate of assessments and taxes in the area
The assessments in the Timberlinn Addition have been paid.

Section 5. Real estate value trends in the area.
Real estate values in this area have lagged behind the rest of the City. With the fairgrounds project, this trend may change. There are 21 lots that do not have improvements. This LID would more than double the cost of these lots. I believe we could anticipate a significant number of foreclosures.

Section 6. Tax leyy trends and potential financial impact on the propased LID.
This LID would increase property values within the district but would not off-set the cost to the property.

Section 7. Does the project conform to the City Comprehensive Plan
This project does conform to the City Comprehensive Plan.

## Section 8. Status of Ciy's debt

This project would require the City to sell an improvement bond to finance the construction. The cost is estimated at $7 \%$.

Section 9. Estimated cost of finarcing
The cost of financing for the benefited property owner is estimated to be $9 \%$.

## Section 10. General credit worthiness of property owners within the LID.

The cost to the property of this improvement is high. All assessment costs are within the Bancroft Bonding Standards, although barely. At least 21 of these properties will be very susceptible to foreclosure.

RE: Proposed Timber/Dogwood LID

My home is within the boundary of the proposed LID for Timber street and Dogwood Avenue. I have reviewed the revised Engineer's Report, do not object to formation of the LID, but do have concerns regarding the proposed distribution of costs for the sewer improvements.

I strongly object to the proposed assessment method for sanitary sewer. The revised Engineer's Report does not assess the city or the county for any sewer costs. The county does not have any frontage along the main being constructed, but the City has approximately 1000 feet of frontage along the proposed sewer on Dogwood. The assessment method proposes to pass the cost of installing the sewer main across city property onto the adjoining residential property owners. The original Engineer's Report presented to the neighborhood assessed the dity-owned property for sewer along its frontage. The report was modified by the city several days after the neighborhood meeting. I believe the city should contribute to the construction costs of the sewer and adopt the recommendations of the original Engineer's Feport because:

1. Timber Linn Park is essentially a corner lot, with frontage on Frice Road and Dogwood. Section 10.01 .100 of the Municipal code clearly states that corner lots are required to extend sewer along both frontages if needed by adjoining properties. The park and the fairground property are currently one lot, and are being partitioned to create the fairground property. Both lots are part of the partition and so are part of the develoment. All property that is developed with a partition is covered by this section of the municipal code. If this were a private development. (no LID) a requirement would be that the sewer be put in or a waver be provided. A cormon example of corner lots paying for utilities on both frontages would be corner lots in a subdivision. They are required to extend mains on both streets even though service is only on one side. The implication in the municipal code is that it's unfair to expect owners to pay for main extensions across neighboring parcels.
2. It's unfair to access adjoining property owners for sewer extension across city-owned property. The county requested formation of the LID to help defray the costs of road improvements, and the residential property is being forced into it. All roads being constructed by the LID were identified in the County's traffic study as being needed for their project. The only reason sewer and water are being constructed is to avoid cutting the roads in the future. Adding an additional burden to residential property in the way of sewer assesaments that exceed the cost of half a pipe installed along their frontage is unfair.
3. The financial report prepared by the city indicates that the increase in property value due to construction of the improvements
will not equal the residents assessments: Unlike other LID's I'm aware of, residents will not see an increase in property value that equals or exceeds their assessment. The city should be looking for ways to reduce the assessment on the residential property, not increase it.
4. The City cannot know for sure at this point if sewer service will ever be needed along its Dogwood frontage. The southern portion of the area was (and probably still officially is) identified in the park's master plan as future ballfields. A wetland study has very recently ruled out ballfields on the southern portion of the property. The eventual use of the remaining property, a strip averaging about 200 feet deep along Dogwood, has not yet been determined. If this portion of the property ia developed as additional parking, or nature trails are someday constructed through the wetlands, connection to the sewer may very well be needed for restrooms or other uses.

I am requesting that the city change the assessment method for sewer back to that in the original Engineer's Report. I realize this is something of a burden to the city as no funds have been budgeted for this purpose. I would ilke to point out, however that property owners in the area are facing that exact situation.

Thank you for your consideration.


Ron Trieh
430 Douglas street
924-0300

