

RESOLUTION NO. 3617

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-95-5, MARION STREET LOCAL IMPROVEMENT DISTRICT.

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 24th day of January 1996, concerning ST-95-5, Marion Street Local Improvement District, be and the same are hereby adopted.

BE IT FURTHER RESOLVED that the Council authorizes 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:

<u>Improvement Fund</u>	<u>Resource</u>	<u>Requirement</u>
26-985-44132 Unbonded Assessments	\$ 528,000	
26-985-45039 Linn Co. Road Transfer Funds	\$1,675,000	
26-985-88022 ST-95-5 Marion Street LID		\$2,203,000

DATED THIS 10TH DAY OF APRIL 1996.

ATTEST:



City Recorder



Mayor



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TO: Albany City Council

VIA: Steve Bryant, City Manager
Mark A. Yeager, P.E., Public Works Director

FROM: Daniel J. Grassick, P.E., Civil Engineer II

DATE: April 4, 1996, for April 10, 1996, City Council Meeting

SUBJECT: MARION STREET LOCAL IMPROVEMENT DISTRICT STAFF REPORT

Action Requested:

Staff recommends that the Council close the record on the Marion Street Local Improvement District (LID) public hearing, which has been kept open to receive additional written testimony and input since the public testimony portion of the hearing was conducted on February 14, 1996, and make a determination on whether or not to approve the formation of the Marion Street LID.

Discussion:

At the direction of the Council from the March 13, 1996, City Council meeting, staff mailed a notice to all LID owners in which an assessment deferral option was outlined that is being made available to owners of lots with depths greater than 325 feet, and which also included a clarification of the proposed design concepts. In order to include any responses with this Council memo, replies were requested to be returned no later than March 29, 1996. As of the date of this memo, three additional letters have been received: one additional remonstrance, a copy of a letter to the editor of the Democrat Herald from an owner who had previously submitted a remonstrance, and one letter in favor of the project.

To date, remonstrances total 49.85% of the value of the estimated assessments. Thirty of the one-hundred property owners have remonstrated. Ten out of the thirteen large property owners, with lots greater than 325 feet in depth, have remonstrated. No written responses have been received from the large property owners concerning the assessment deferral payment option.

Nearly all property owners who have provided written testimony and input, including those who have remonstrated, have stated that they are in favor of having the street improved. The primary reservation of those owners who have remonstrated appears to be the potential financial impact of the estimated assessments for the larger property owners. Other issues, such as the design concepts and neighborhood impacts, would be appropriately addressed during the design phase of the project and are less of a concern to those who have remonstrated. A special assessment deferral option was offered to the large property owners in an attempt to address the concerns of those owners who have expressed no desire to either develop their property or sell a portion of their existing lots. None of the large lot property owners who remonstrated before the assessment deferral option was offered have withdrawn their remonstrance.

Development plans have been submitted for two of the large lots involving approximately 42 units, and a third large lot is in the process of preparing preliminary development plans. A large vacant lot at the south end of the district has changed ownership, and the new owners have indicated they plan to construct a large residence on the site. Because of the inadequacy of the transportation system in this area, development on existing lots will be restricted to one single family or duplex unit per lot (with no new subdivisions) until street improvements are constructed.

3

Albany City Council

Page 2

April 4, 1996, for April 10, 1996, City Council Meeting

If constructed, the improvements would provide a significant local neighborhood benefit as well as provide a community benefit by improving a transportation link from 34th Avenue to the Ninth Avenue couplet. Because the City recognizes the community interest of these street improvements, more than \$1.6 million of City funds, or approximately 76 percent of the street improvement portion of the project cost estimate, has been included in the project financing. With the City's financial contribution toward this project, the LID property owner's estimated assessments are less than 38 percent of what they would be if the owners were to be assessed the full cost of constructing just an urban standard residential street instead.

Budget Impact:

A council approval of the LID formation will commit all of the funds remaining in the County Road Transfer Fund, in budget activity 03-410, Street Capital and Restoration. Currently the projected fiscal year 1996-97 budgeted amount is \$1,675,000. If the LID is not approved, staff will schedule a Public Works Committee agenda item to discuss options for utilizing these funds.

djg:kw

Attachments

CCPUBHR.T55