

RESOLUTION NO. 2648

A RESOLUTION FOR THE ADOPTION OF ENGINEERING AND FINANCE REPORTS, AUTHORIZATION TO SECURE EASEMENTS, TO OBTAIN BIDS, TO INCREASE APPROPRIATIONS, AND TO ISSUE WARRANTS FOR THE CONSTRUCTION OF ST-85-1, Salem Avenue, Sherman Street to Geary Street.

BE IT RESOLVED that the engineering reports of the Public Works Director and the finance reports of the Finance Director filed with the City Recorder on the 22nd day of October, 1986, concerning Salem Avenue, Sherman Street to Geary Street 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 not to exceed 12% per annum, 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.

DATED this 22nd day of October, 1986.

  
\_\_\_\_\_  
Mayor

ATTEST:

  
\_\_\_\_\_  
City Recorder

INTERDEPARTMENTAL MEMORANDUM  
Public Works Department

TO: Albany City Council  
VIA: Albany Public Works Committee  
FROM: Mark A. Yeager, P.E., Engineering/Utilities Division Manager  
DATE: October 8, 1986, for October 8, 1986 City Council Meeting  
SUBJECT: ST-85-1, Salem Avenue, Sherman St. to Geary St.

The Engineer's Report for ST-85-1, Salem Avenue was reviewed by the Albany Public Works Committee on October 7, 1986. The Committee agreed with the recommended method of assessing the benefitting properties for a portion of the project cost.

It is recommended that the City Council accept the Engineer's Report, set a public hearing date, and direct the City Recorder to notify the affected property owners of the public hearing.

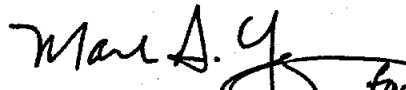
Adoption of the Engineer's Report and the Financial Investigation Report will follow the public hearing.

Respectfully submitted,



Mark A. Yeager, P.E.  
Engineering/Utilities Division Manager

Approved by,



John Joyce, P.E. for  
Public Works Director

INTERDEPARTMENTAL MEMORANDUM  
Public Works Department

TO: Albany City Council  
VIA: Bill Barrons, City Manager  
FROM: John Joyce, P.E., Public Works Director  
DATE: October 7, 1986 for October 8, 1986 City Council Meeting  
SUBJECT: Engineer's Report for ST-85-1, Salem Avenue, Sherman St. to Geary St.

Description of Project

On January 22, 1986 the Albany City Council adopted Resolution No. 2599 stating its intent to improve Salem Avenue from Sherman Street to Geary Street. Resolution No. 2599 also authorized the City to enter into an agreement with the State of Oregon to use Federal Aid Urban (FAU) funds to finance a portion of the project cost. The City received notification on March 18, 1986 that FAU funding for the project had been approved by the Federal Highway Administration. The preliminary construction plans have been completed by the City and reviewed by the State. The project will include construction of approximately 1950 lineal feet of 36'-44' wide street with curb and gutter, sidewalk and storm drains. Construction will include widening the Periwinkle Creek bridge to accommodate sidewalk on the south side. Sidewalk on the north side is existing.

The estimated cost of the project is \$595,000. Total FAU money available is \$455,000. Under the terms of the FAU program, the State contributes a share of the project cost equal to 9% of the available Federal funds - a total of \$41,000. The City must also pay 9% (\$41,000) plus the balance of the project cost (59,000)- for a total of \$100,000.

There are three sources of funds to pay the City's share of the cost of the project:

- 1) Linn County - The right-of-way for Salem Avenue was originally deeded to the county and they are responsible for maintenance of the existing improvements. It is proposed that the County transfer the right-of-way to the City of Albany and that the City accept the road for maintenance. At the time the right-of-way is transferred, Linn County will contribute a portion of the cost of improving the street to city standards. Their current policy is to contribute an amount equal to the cost of a 1 1/2" asphalt overlay of the existing street surface. This amount is estimated to be \$10,000.
- 2) Sewer Separation Fund - The Salem Avenue project includes construction of a storm drain pipe to Periwinkle Creek that will make it possible to drain eight

existing catch basins that are now connected to the sanitary sewer. It is recommended that an amount equal to the cost that would have been incurred to separate these catch basins with the North Periwinkle sewer separation project be contributed to pay a portion of the cost of the Salem Avenue project. This amount is estimated to be \$42,000.

3) Property Owner Assessments - After FAU, State, and County contributions, \$47,000 of the project cost remains to be funded. It is recommended that this cost be paid by the benefitting property owners.

Summary of Estimated Costs

A. Estimated Construction Cost	\$496,000
B. 20% Engineering, Legal and Administrative (15% City, 5% State)	+99,000
C. Total Cost	\$595,000

Project Funding

A. FAU Fund Contribution	\$455,000
B. State Contribution	41,000
C. Linn County Contribution	10,000
D. Sewer Separation Fund	42,000
E. Total Available Funding	<u>548,000</u>
F. Balance To Be Paid By Property Owners	\$47,000

Method of Assessment

It is recommended that the cost of this project remaining after FAU, State, County and Sewer Separation contributions be assessed to the benefitting properties on a lineal foot basis:

$\$47,000 \div 3195 \text{ assessable front feet} = \$14.71/\text{front foot}$

Because of required FAU and State procedures, accounting of all project costs may not be received by the City for a considerable length of time after final payment to the construction contractor. (The City's most recent experience was two years for the Waverly Drive FAU project.) If the City waits to assess the project until the final accounting is received the assessment procedure becomes more

Engineer's Report  
ST-85-1, Salem Avenue

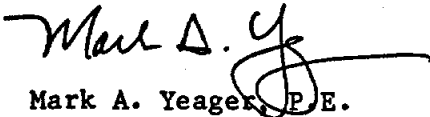
complicated. Communication with property owners is interrupted, owners of properties may change, etc. Therefore, it is recommended that the property owners be assessed at the time the final payment is made to the contractor.

Additionally, if the project exceeds the estimated cost, it is recommended that the cost to the property owners be limited to \$15/front foot. The balance of the project cost would be paid from the Street Maintenance Fund. If the construction cost is significantly less than estimated, it is recommended that the property owners be assessed at the minimum rate of \$10.00/front foot and the contribution from the Sewer Separation Fund be reduced to balance the total expenditures.

Assessment Data

See attached Property and Estimated Assessment Data sheet.

Respectfully submitted,



Mark A. Yeager, P.E.  
Engineering/Utilities Division Manager

Approved by,



John Joyce, P.E.  
Public Works Director

ESTIMATED  
PROPERTY AND ASSESSMENT DATA

ST-85-1, Salem Avenue, Sherman to Geary

Office Public Works Director

No.	OWNER/ADDRESS	DESCRIPTION & TAX LOT	FRONT FT.	TOTAL ESTIMATED ASSESSMENT
1.	Russell & Mildred Harris Nancy Tunison 1922 Springhill Dr. Albany, OR 97321	11-3W-6DD, TL 9400	66.18	\$ 973.51
2.	David & Carmen Mazzocco 2401 SW 4th Avenue Portland, OR 97201	11-3W-6DD, TL 9500	66.18	973.51
3.	David & Carmen Mazzocco 2401 SW 4th Avenue Portland, OR 97201	11-3W-6DD, TL 9600	132.36	1,947.02
4.	Claude & Juanita Bird c/o Edward Carney P. O. Box 68186 Oak Grove, OR 97268	11-3W-6DD, TL 9800	109.89	1,616.48
5.	Claude & Juanita Bird c/o Edward Carney P. O. Box 68186 Oak Grove, OR 97268	11-3W-6DD, TL 9700	253.00	3,721.63
6.	Warren Gaskill c/o Richard Gaskill 31324 Blackberry Lane Lebanon, OR 97355	11-3W-5CC, TL 1100	49.13	722.70
7.	Warren Gaskill c/o Richard Gaskill 31324 Blackberry Lane Lebanon, OR 97355	11-3W-5CC, TL 1000	17.00	250.07

ST-85-1, Salem Avenue, Sherman to Geary

No.	OWNER/ADDRESS	DESCRIPTION & TAX LOT	FRONT FT.	TOTAL ESTIMATED ASSESSMENT
8.	Elaine Weinberg 1317 Salem Avenue, SE Albany, OR 97321	11-3W-5CC, TL 1300	66.18	\$ 973.51
9.	United Pentecostal Church 230 Pine St., SE Albany, OR 97321	11-3W-5CC, TL 1500	66.18	973.51
10.	United Pentecostal Church 230 Pine St., SE Albany, OR 97321	11-3W-5CC, TL 1700	66.18	973.51
11.	Lawrence & Dorothy Hobart c/o Edward Carney P. O. Box 68186 Oak Grove, OR 97268	11-3W-5CC, TL 2500	45.10	663.42
12.	Arthur & Orba Fintel 1320 Salem Ave., SE Albany, OR 97321	11-3W-5CC, TL 2400	135.30	1,990.26
13.	Joe & Norma McPherson c/o Claude Oulman, K-D Properties Co. P. O. Box 516 Albany, OR 97321	11-3W-5CC, TL 4500	334.64	4,922.55
14.	Mervin & Gladys Dickerson c/o Opal & Eulus Ballard 1542 Salem Ave., SE Albany, OR 97321	11-3W-5CC, TL 8600	157.62	2,318.59
15.	Marie Patton 1529 Salem Ave., SE Albany, OR 97321	11-3W-5CC, TL 8700	52.54	772.86

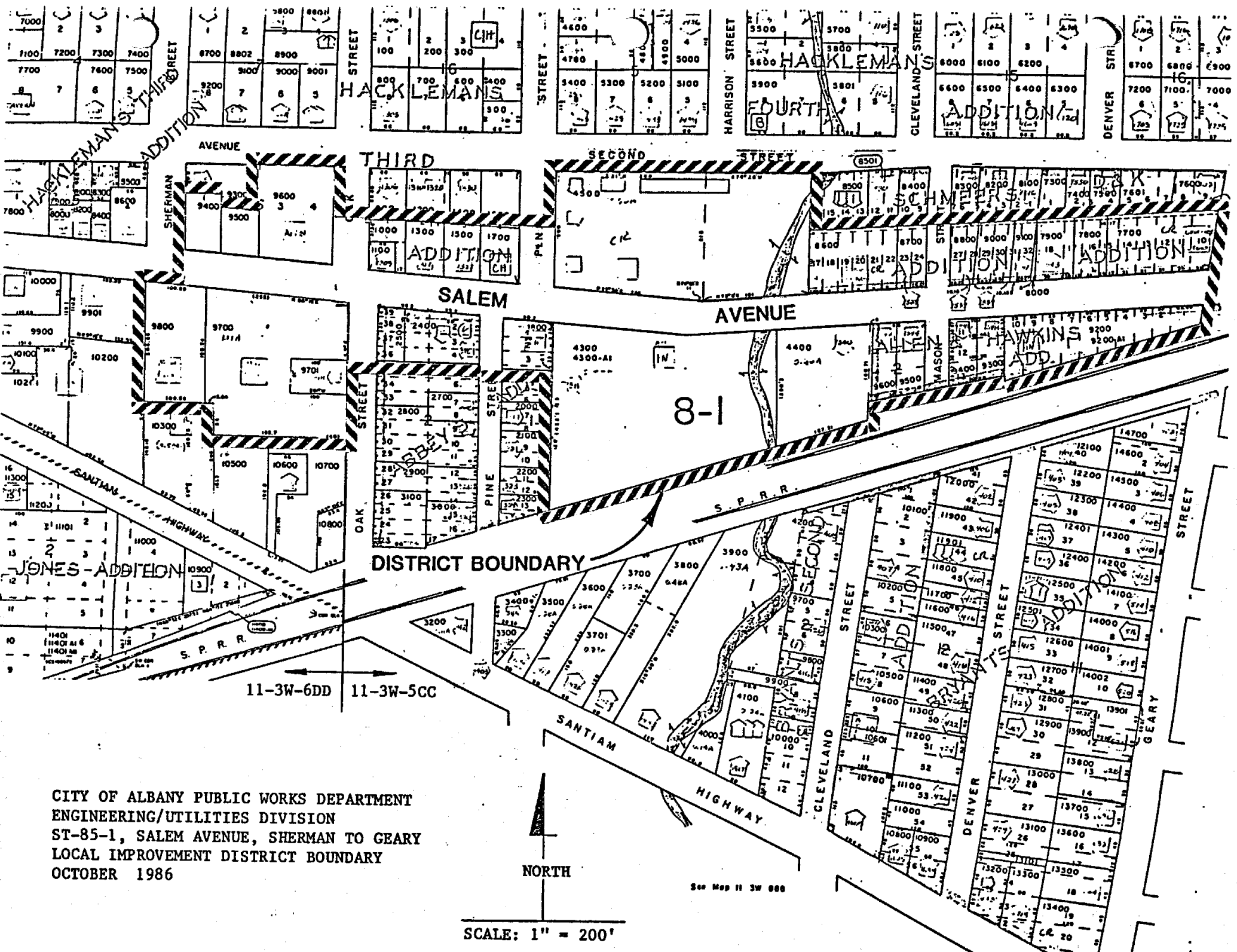
## ST-85-1, Salem Avenue, Sherman to Geary

No.	OWNER/ADDRESS	DESCRIPTION & TAX LOT	FRONT FT.	TOTAL ESTIMATED ASSESSMENT
16.	Oregon Education Association 6900 SW. Hainer Rd. Tigard, OR 97223	11-3W-5CC, TL 1800	90.20	\$ 1,326.84
17.	Burlington Northern Inc. 1101 NW Hoyt Portland, OR 97209	11-3W-5CC, TL 4300	309.36	4,550.69
18.	John & Lesley North c/o O.F. Wale 1530 Salem Ave., SE Albany, OR 97321	11-3W-5CC, TL 4400	165.71	2,437.59
19.	Lois Hiatt 1925 Old Salem Rd., NE Albany, OR 97321	11-3W-5CC, TL 9600	45.00	661.95
20.	Miriam Lent 1539 Salem Ave., SE Albany, OR 97321	11-3W-5CC, TL 9500	50.00	735.50
21.	John & Christina Brown 37185 Robinson Dr. Scio, OR 97374	11-3W-5CC, TL 8800	44.40	653.12
22.	Miriam Lent 1539 Salem Ave., SE Albany, OR 97321	11-3W-5CC, TL 9000	73.81	1,085.75
23.	George & Doris Capwell P. O. Box 7445 Salem, OR 97302	11-3W-5CC, TL 9100	39.40	579.57



ST-85-1, Salem Avenue, Sherman to Geary

No.	OWNER/ADDRESS	DESCRIPTION & TAX LOT	FRONT FT.	TOTAL ESTIMATED ASSESSMENT
24.	Linn County P.O. 100 Albany, OR 97321	11-3W-5CC, TL 8000	(8.0)	Not assessable
25.	John & Mildred Coakley 18945 Shirley Ave., NE Hubbard, OR 97032	11-3W-5CC, TL 7900	77.00	\$ 1,132.67
26.	Bernice Cornelious c/o Gene & Annie Stryker 1545 Salem Ave., SE Albany, OR 97321	11-3W-5CC, TL 7800	60.00	882.60
27.	Robert Little c/o James Smith 1672 23rd Court SE Albany, OR 97321	11-3W-5CC, TL 7700	172.00	2,530.12
28.	Charles & Margaret Kosnik c/o Miriam Lent 1539 Salem Ave., SE Albany, OR 97321	11-3W-5CC, TL 9400	50.00	735.50
29.	Gerald Boatwright c/o Esequiel & Verna Palomo 1548 Salem Rd., SE Albany, OR 97321	11-3W-5CC, TL 9300	50.00	735.50
30.	Oregon Electric Railway c/o Burlington Northern Inc. 1101 NW Hoyt Portland, OR 97209	11-3W-5CC, TL 9200	350.45	5,155.12
<b>TOTAL</b>			<b>3194.81</b>	<b>\$46,995.65</b>



CITY OF ALBANY PUBLIC WORKS DEPARTMENT  
 ENGINEERING/UTILITIES DIVISION  
 ST-85-1, SALEM AVENUE, SHERMAN TO GEARY  
 LOCAL IMPROVEMENT DISTRICT BOUNDARY  
 OCTOBER 1986

NORTH

SCALE: 1" = 200'

See Map 11 3W 000

Section 1:

FINANCIAL INVESTIGATION REPORT  
LOCAL IMPROVEMENT DISTRICT NO. ST-85-1

Salem Ave., Sherman St. to Geary Street

Owner	Property Description	% of Project	Estimated Assessment	Maximum Allowable Bancroft	True Cash Value			Total Other Assessments on this Property	Percent Assessments to T.C.V.	Semi-annual Pmt. 10 Year Bancroft	Attitude Toward Project		
					As of		Total				In Favor	Against	Non-Committed
					Land	Improvements							
Mr&Mrs Harris Tunison	11-3W-6DD, TL 9400	2	973.51	22,500	11,250		11,250	—	9%	93.00			
Mazzocco	11-3W-6DD, TL 9500	2	973.51	19,620	9,810		9,810	—	10%	93.00			
Mazzocco	11-3W-6DD, TL 9600	4	1,947.02	540,180	40,140	229,950	270,090	—	1%	185.00			
Bird c/o Carney	11-3W-6DD, TL 9800	3	1,616.48	66,240	24,480	8,640	33,120	—	5%	154.00			
Bird	11-3W-6DD, TL 9700	7	3,721.63	237,600	58,320	60,480	118,800	—	3%	354.00			
Gaskill	11-3W-5CC, TL 1100	2	722.70	41,320	6,240	14,420	20,660	—	3%	69.00			
Gaskill	11-3W-5CC, TL 1000	1	250.07	12,480	6,240		6,240	—	4%	24.00			
Weinberg	11-3W-5CC, TL1300	2	973.51	50,660	9,600	15,730	25,330	—	4%	93.00			
Un. Pentecostal Church	11-3W-5CC, TL 1500	2	973.51	56,500	9,600	18,650	28,250	—	3%	93.00			
Un. Pentecostal Church	11-3W-5CC, TL 1700		973.51	241,000	10,500	110,000	120,500	—	1%	93.00			

Section 1:

FINANCIAL INVESTIGATION REPORT  
LOCAL IMPROVEMENT DISTRICT NO. \_\_\_\_\_

Owner	Property Description	% of Project	Estimated Assessment	Maximum Allowable Bancroft	True Cash Value			Total Other Assessments on this Property	Percent Assessments to T.C.V.	Semi-annual Pmt. 10 Year Bancroft	Attitude Toward Project		
					As of		Total				In Favor	Against	Non-Committed
					Land	Improvements							
Corney	11-3W-5CC, TL 2500	2	663.42	18,240	9,120		9,120	—	7%	63.00			
Fintel	11-3W-5CC, TL 2400	4	1,990.26	98,280	17,280	31,860	49,140	—	4%	189.00			
Oulman	11-3W-5CC, TL 4500	11	4,922.55	460,080	81,180	148,860	230,040	—	2%	468.00			
Ballard	11-3W-5CC, TL 8600	5	2,318.59	117,540	26,190	32,580	58,770	—	4%	220.00			
Patton	11-3W-5CC, TL 8700	2	722.86	51,480	9,600	16,140	25,740	—	3%	69.00			
Jehova's Witness	11-3W-5CC, TL 1800	3	1,326.84	144,000	12,000	60,000	72,000	—	2%	126.00			
Burlington Northern Inc.	11-3W-5CC, TL 4300	10	4,550.69	111,600	55,800		55,800	—	8%	432.00			
North & Wale	11-3W-5CC, TL 4400	5	2,437.59	116,880	19,200	39,240	58,440	—	4%	232.00			
Hiatt	11-3W-5CC, TL 9600	2	661.95	45,360	10,080	12,600	22,680	—	3%	63.00			

Section 1:

FINANCIAL INVESTIGATION REPORT  
LOCAL IMPROVEMENT DISTRICT NO. \_\_\_\_\_

Owner	Property Description	% of Project	Estimated Assessment	Maximum Allowable Bancroft	True Cash Value			Total Other Assessments on this Property	Percent Assessments to T.C.V.	Semi-annual Pmt. 10 Year Bancroft	Attitude Toward Project		
					As of	Land	Improvements				Total	In Favor	Against
Lent	11-3W-5CC, TL 9500	2	735.50	72,780	9,600	26,790	36,390	—	2%	70.00			
Brown	11-3W-5CC TL 8800	2	653.12	70,380	9,600	25,590	35,190	—	2%	62.00			
Lent	11-3W-5CC, TL 9000	3	1,085.75	45,840	9,600	13,320	22,920	—	5%	103.00			
Capwell	11-3W-5CC, TL 9100	2	579.57	41,200	9,600	11,000	20,600	—	3%	55.00			
Linn County	11-3W-5CC, TL 8000		Not Ass.	—	—	—	—	—					
Coakley	11-3W-5CC, TL 7900	3	1,132.67	64,320	10,080	22,080	32,160	—	4%	108.00			
Stryker	11-3W-5CC, TL 7800	2	882.60	51,440	10,080	15,640	25,720	—	3%	84.00			
Little	11-3W-5CC, TL 7700	5	2,530.12	132,300	30,060	36,090	66,150	—	4%	240.00			
Kentil	11-3W-5CC, TL 9400	2	735.50	72,780	9,600	26,790	36,390	—	2%	70.00			
Palomb	11-3W-5CC, TL 9300	2	735.50	41,880	9,600	11,340	20,940	—	4%	70.00			
Oregon Elec. Railway	11-3W-5CC, TL 9200	6	5,155.12	—	—	—	—	—					
Younger Oil Co.	11-3W-5CC, TL 9200-A01			34,900	—	17,450	17,450	—	30%	490.00			

Section 2.

Attach map showing vacant lots and undeveloped property.

If LID is a new subdivision - attach map identifying vacant lots and undeveloped property.

Section 3.

Number of similar lots and property held by the City through foreclosure.  
This proposed LID contains 30 tax lots of which 27 are improved. The City has no lots with improvements that were obtained through foreclosure.

Section 4.

Delinquency rate of assessments and taxes in the area.

The City has no additional assessments on property included in this LID.

Section 5.

Real estate value trends in the area.

Property located within this LID is a near equal-mix of commercial and residential. Value trends have been consistent with other areas of the City. The Linn County Assessor decreased the value on residential property in 1985 by 8%.

Section 6.

**Tax levy trends and potential financial impact on Improvement District.**

Two possible situations: one, if any tax limitation measure or sales tax measure passes in the November election, then property taxes could be reduced by 40%; or two, if no limitation measure passes taxes should remain approximately the same. Tax rates have increased slightly, but property values have also decreased which would be an offsetting factor.

Section 7.

Does the project conform to the City Comprehensive Plan? **If no, explain:**

Yes.

Section 8.

**Status of City's debt.**

The City has \$3,905,000 in outstanding Bancroft debt. Statutory limitation for the City is \$19,500,000. Approximately \$1,200,000 in foreclosed property is held by the City.

Note: Proposed legislation could limit the City's ability to issue additional Bancroft bonds without specific voter approval.

Section 9.

**Estimated cost of financing.**

Cost of Bancroft debt on a 10-year issue is approximately 7%. Cost to the benefitted property owner would be approximately 9%.

**Section 10.**

**General credit worthiness of property owners within the LID.**

Out of the 30 properties that are included in this LID, only three do not have improvements. The average percent assessment to true cash value is 4%.

- 1) 16 properties will have an annual assessment of less than \$200.
- 2) An additional six properties will have an assessment less than \$400 per year.
- 3) There are three properties with a projected assessment of nearly \$1,000 per year - all of these properties are zoned commercial.

The proposed assessment on these properties should not be a hardship to the property owners.