

ORDINANCE NO. 5760

AN ORDINANCE TO DETERMINE THE ASSESSMENTS AGAINST THE PROPERTIES SPECIFICALLY BENEFITED BY STREET IMPROVEMENTS FOR ST-08-06, INFRASTRUCTURE IMPROVEMENTS – SCHOOL TO KNOX BUTTE, AND DECLARING AN EMERGENCY.

RECITALS:

1. The assessments as referred to in this ordinance and previous resolutions and ordinances are for the street improvements to serve ST-08-06, Infrastructure Improvements – School to Knox Butte.
2. Preliminary resolutions and ordinances prescribing the manner and extent of the improvements are set forth in Resolutions Nos. 5583, 5597, 5606 and 6008.
3. The assessments set forth in the following ordinance are based upon the request and recommendation of the City Engineer in compliance with Albany Municipal Code, Section 15.04.110.

THE PEOPLE OF THE CITY OF ALBANY DO ORDAIN AS FOLLOWS:

Section 1: The costs of the street improvements to serve ST-08-06, Infrastructure Improvements – School to Knox Butte are as follows:

<u>Project</u>	<u>Interest &amp; Misc.</u>	<u>Construction Cost</u>	<u>% ELA</u>	<u>Total Cost</u>
ST-08-06	\$229,762.00	\$1,773,400.26	13.0%	\$2,003,162.26

Section 2: Property and assessment data are listed on the attached sheets.

Section 3: The City Recorder is hereby directed to enter a statement of the assessments as above provided in the docket of the City liens and give notice thereof as provided by law.

Section 4: Inasmuch as this ordinance is necessary for the immediate preservation of the peace, safety, and health of the City of Albany, Oregon, an emergency is hereby declared to exist; and this ordinance shall be in full force and effect immediately upon passage by the Council and approval by the Mayor.


Passed by Council: June 22, 2011

Approved by the Mayor: June 22, 2011

Effective Date: June 22, 2011

  
Mayor

ATTEST:

  
City Clerk  




TO: Albany City Council

VIA: Wes Hare, City Manager  
Diane Taniguchi-Dennis, P.E., Public Works Director *none*

FROM: Mark W. Shepard, P.E., Assistant Public Works Director / City Engineer *MWS*  
Jeff Woodward, P.E., Civil Engineer II *JW*

DATE: June 10, 2011, for the June 22, 2011, City Council Meeting

SUBJECT: ST-08-06, Infrastructure Improvements – School to Knox Butte  
Final Engineer's Report and Ordinance to Assess

RELATES TO STRATEGIC PLAN THEME: • Great Neighborhoods

Action Requested:

Staff requests that Council adopt the Final Engineer's Report and Financial Investigation Report regarding the final assessments for the Local Improvement District (LID) project ST-08-06, Infrastructure Improvements – School to Knox Butte. It is further requested that Council adopt the attached ordinance for determining the assessments for this LID.

Discussion:

Background

This project involves four large parcels; three located at the east end of Somerset Drive and south along the newly constructed portion of Timber Ridge Street to Knox Butte Road and one south of Knox Butte Road. The LID Boundary map for these parcels is shown on Attachment A.

Greater Albany Public Schools (GAPS) received a Notice of Decision (NOD) for the construction of a new school north of Knox Butte Road on August 29, 2007. An anticipated private development project (Brandis Village) was going to be constructed between the school site and Knox Butte Road. However, the developers of Brandis Village withdrew their application, leaving the School District with a significantly increased responsibility to complete off-site public infrastructure improvements in order to serve the new school. The School District approached the City with the idea of forming two LID projects to facilitate the construction of the public improvements while distributing the project costs equitably among the properties receiving special benefit from the project. The first LID project completed the improvements north of the new school and the assessments were finalized in June 2010. This project completed Timber Ridge Street south to the traffic circle at Knox Butte Road and associated utility improvements on Timber Ridge Street and Knox Butte Road.

Improvements

The improvements constructed under this project include approximately 1,000 feet of Timber Ridge Street and a traffic circle at the intersection with Knox Butte Road, all with related storm drainage improvements, 700 feet of 24-inch water line, 1,150 feet of 12-inch water line, and 1,150 feet of 12-inch sanitary sewer.

Assessment Methodology

The four properties affected by this LID are two Brandis parcels and the GAPS parcel north of Knox Butte Road and the Morris parcel to the south. There are areas within the LID boundary that are dedicated as greenways. These areas are undevelopable and as such have been removed

from the assessable areas. The method of assessment is consistent with the area basis methodology recommended in the Initial Engineer's Report.

All transportation and storm drain costs are distributed on an area basis. The construction costs for Timber Ridge Street are assessed to the adjacent property north of Knox Butte Road and the roundabout costs are assessed to the full developable areas of all four properties. A 24-inch water line was extended west along Knox Butte Road to the east side of the roundabout and is assessed on an area basis 150-feet deep along the improved length of the properties on each side of Knox Butte Road. A 12-inch water line was constructed with Timber Ridge Street and is assessed on an area basis 150-feet deep along Timber Ridge Street. The sewer main constructed with Timber Ridge Street is assessed on an area basis for the entire parcel fronting Timber Ridge Street.

*Summary of Final Project Costs*

This Engineer's Report and Financial Investigation Report have been revised from those previously submitted on May 11, 2011. It was discovered that Timber Ridge Street construction costs expended by GAPS for the benefit of this project during the first LID were not charged to this project. This has been corrected so that the costs for engineering, legal, and administration services along with project financing costs have been added to the revised construction costs to determine a total final project cost of \$2,003,162.26. The City is participating in the project by contributing water SDC funds in the maximum amount identified in the Initial Engineer's Report.

The final street and storm drainage improvement costs are \$734,255.63, and the final cost for the roundabout is \$524,675.35. The final costs for the water improvements are \$414,026.38 with a City contribution of \$93,000.00. The final costs for the sewer improvements are \$330,204.90.

The total final project costs are summarized below. The project was successfully completed prior to the beginning of the 2010-11 school year and all project components came in at, or under the budget. These costs and the net assessable cost distribution are shown on the assessment computation sheet, Attachment B.

	<u>Estimated Cost</u>	<u>Final Cost</u>	<u>Under Budget</u>
Transportation and Storm Drainage:			
- Collector Street	\$905,625	\$734,255.63	18.9%
- Roundabout	\$525,000	\$524,675.35	0.1%
Water 12-inch	\$120,000	\$94,630.98	21.1%
Water 24- inch	\$328,000	\$319,395.40	2.6%
Sewer	\$623,000	\$330,204.90	47.0%
Final Project Cost	\$2,501,625	\$2,003,162.26	19.9%
City - 12-inch Water SDCi Contribution	(\$29,000)	(\$29,000.00)	
City - 24-inch Water SDCi Contribution	(\$64,000)	(\$64,000.00)	
Net Assessable Costs	\$2,408,625	\$1,910,162.26	20.7%

Budget Impact:

City participation with water SDC funding is to pay over-sizing costs of the water main lines. The net cost of the improvements will be assessed to the benefiting properties.

JMW:kw  
Attachments (4)



LID Boundary: ST-08-06, Infrastructure Improvements, School to Knox Butte

Attachment A



Engineering

Jeff Woodward

1 inch = 600 feet

Wednesday, April 30, 2008 10:16:57 AM  
 U:\Shared\GIS\Engineering\Chris Goins\Proposed LID South.mxd

The City of Albany's infrastructure records, drawings, and other documents have been gathered over many decades, using differing standards for quality control, documentation, and verification. All the information provided represents current information in a readily accessible format. While the information provided is generally believed to be accurate, consistency of the information cannot be guaranteed, and that its accuracy is not warranted. Prior to making any property purchase or other investments based in full or in part upon the information provided, it is specifically advised that you independently verify the information furnished within our records.



FINAL ENGINEER'S REPORT		ST-08-06, "Infrastructure Improvements – School to Knox Butte"											ATTACHMENT B		
CITY OF ALBANY															
ST-08-06															
Final Assessments															
June 2011															
Name	Assessor's Map	Street	Total	Roundabout	Total	San Sew	Total	Water 12"	Total	Water 24"	Total	Total	Total		
Tax Lot	Unit	Unit	Street & St Dr	Unit	Roundabout	Unit	San Sew	Unit	Water 12"	Unit	Water 24"	Final	Final		
(Ac)	(Ac)	(Ac)	Assm't	(Ac)	Assm't	(Ac)	Assm't	(Ac)	Assm't	(Ac)	Assm't	Assm't	Assm't		
Greater Albany Public School Dist	11S03W03B 00102			20.28	\$110,183.45								\$110,183.45	NET ASSESSABLE COSTS	
														Street and Storm Drain	\$734,255.63
														Roundabout	\$524,675.35
														Sanitary Sewer	\$330,204.90
														12-inch Water	\$94,630.98
														City Participation: 12-inch Water	(\$29,000.00)
														24-inch Water	\$319,395.40
Evelyn F Brandis Trust 1	11S03W03B 00100			34.98	\$190,050.16								\$190,050.16	City Participation: 24-inch Water	(\$64,000.00)
														Total Project Cost	\$1,910,162.26
UNIT ASSESSMENTS															
Street and Storm Drain															
														Est. Cost	\$734,255.63
														Unit	19.30 Ac
														Unit Cost	\$38,044.33 per Ac
Evelyn F Brandis Trust 1	11S03W03B 00101	19.30	\$734,255.63	19.30	\$104,859.01	19.30	\$330,204.90	7.92	\$65,630.98	3.10	\$153,237.24	\$1,388,187.76		Roundabout	
														Est. Cost	\$524,675.35
														Unit	96.57 Ac
														Unit Cost	\$5,433.11 per Ac
														Sanitary Sewer	
														Est. Cost	\$330,204.90
														Unit	19.30 Ac
														Unit Cost	\$17,109.06 per Ac
Mary Morris Trust 1	11S03W03C 00100			22.01	\$119,582.73					2.07	\$102,158.16	\$221,740.89		Net 12-inch Water	
														Est. Cost	\$94,630.98
														City Particip.	(\$29,000.00)
														Net Cost	\$65,630.98
														Unit	7.92 Ac
														Net Unit Cost	\$8,286.74 per Ac
														Net 24-inch Water	
														Est. Cost	\$319,395.40
														City Particip.	(\$64,000.00)
														Net Cost	\$255,395.40
														Unit	5.17 Ac
														Unit Cost	\$49,447.32 per Ac
TOTALS		19.30	\$734,255.63	96.57	\$524,675.35	19.30	\$330,204.90	7.92	\$65,630.98	5.17	\$255,395.40	\$1,910,162.26			

**FINANCIAL INVESTIGATION REPORT**  
**ST-08-06, Infrastructure Improvements - School to Knox Butte Road LID**

(As of May 20, 2011)

OWNER OF RECORD	PROPERTY DISCRPTION	% OF PROJECT	TOTAL ASSESSMENT	BOND MAXIMUM	TRUE CASH VALUE 2009/2010			OTHER ASMNTS	ASMNT % TO TCV	10 YEAR MONTHLY PAYMENTS AT 6.55%
					LAND	IMPROVMENTS	TOTAL			
Brandis, Trust 1, Evelyn F c/o Tanya Durkee @ Lane Powell 601 SW Second Ave # 2100 Portland, OR 97204	11S03W03B 00100 Site: Acreage, Lot	9.95%	190,050.16	3,328,580	1,664,290	-	1,664,290	1,548,815	104.48%	2,162.78
Brandis, Trust 1, Evelyn F c/o Tanya Durkee @ Lane Powell 601 SW Second Ave # 2100 Portland, OR 97204	11S03W03B 00101 Site: Acreage, Lot	72.67%	1,388,187.76	1,782,760	891,380	-	891,380	-	155.73%	15,797.65
Greater Albany Public School District c/o Russell Allen 718 7th Avenue SW Albany, OR 97321	11S03W03B 00102 Site: 373 Timber Ridge St NE Acreage, Lot	5.77%	110,183.45	43,855,980	722,190	21,205,800	21,927,990	-	0.50%	1,253.89
Morris, Mary Trust 1, PO Box 1087 Corvallis, OR 97339	11S03W03C 00100 Site: 4350 Knox Butte Rd E A Acreage, Lot	11.61%	221,740.89	1,811,120	905,560	-	905,560	-	24.49%	2,523.42
<b>Totals</b>		<b>100.00%</b>	<b>1,910,162.26</b>	<b>50,778,440</b>	<b>4,183,420</b>	<b>21,205,800</b>	<b>25,389,220</b>	<b>1,548,815</b>	<b>285.20%</b>	<b>21,737.74</b>

FINANCIAL INVESTIGATION REPORT (Cont.)  
ST-08-06, "Infrastructure Improvements – School to Knox Butte"  
(As of May 20, 2011)

*Section 3. Number of similar lots and property held by the City through foreclosure.*

The City is not holding any properties obtained through foreclosure. Twelve properties are delinquent more than one year.

*Section 4. Delinquency rate of assessments and taxes in the area.*

Ninety-five percent of City assessments are current. Property tax collections are projected to be 93 percent of current taxes levied.

*Section 5. Real estate value trends in the area.*

Real estate values within the City remain fairly stable with an expected increase of about 2.35%. Residential construction has been in a decline for the past few years. Building activity is expected to continue at a slow pace during FY 2011-2012.

*Section 6. Tax levy trends and potential financial impact on the proposed LID.*

Taxes should remain stable.

*Section 7. Does the project conform to the City Comprehensive Plan?*

This project conforms to the City's Comprehensive Plan.

*Section 8. Status of City's debt.*

Costs attributable to this project will be incorporated into the final assessment roll.

*Section 9. Estimated cost of financing.*

The City's practice is to charge the property owners 1.50 percent more than the rate on the bonds to pay for the costs associated with billing the property owners and administering the LID. In 2002, assessment bonds sold at 5.05 percent; therefore, property owners paid 6.55 percent interest.

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

The estimated total assessments range from \$110,183.45 to \$1,388,187.76. The monthly payment for the proposed assessments project to range from \$1,253.89 to \$15,797.65 for a ten year term.

*Note: Financing under ORS223.215 provides financing for a longer term.*