

EUGENE CITY COUNCIL

AGENDA ITEM SUMMARY



Action: Adoption of Resolution 5029 Amending Resolution No. 4281 Providing an Additional Way for Property Owners Subject to a Crest Drive Area Street Improvement Project Assessment to Qualify for the Street Subsidy Program

Meeting Date: April 25, 2011
Department: City Manager's Office
www.eugene-or.gov

Agenda Item Number: 7
Staff Contact: Kathryn Brotherton
Contact Telephone Number: 541-682-5010

ISSUE STATEMENT

The City Council is scheduled to review an amendment to Resolution No. 4281 that will allow property owners subject to a Crest Drive Area Street Improvement Project assessment to qualify for the Street Subsidy Program based on a 364-day extrapolation on the property owner(s)'s income on April 11, 2011.

BACKGROUND

On November 4, 1991, the City Council adopted Resolution No. 4281, a resolution adopting a Street Subsidy Program Council Policy Guide ("the Program"). Resolution No. 4281 sets forth the criteria that must be met for a property owner subject to a street assessment to participate in the Program, including the qualifications for low-moderate income persons. In order for a property owner to qualify for the Program, the property owner(s)'s annual income must fall within one of the three categories set forth in section 6.1 of Resolution No. 4281. Property owners subject to an assessment for the Crest Drive Area Street Improvement Project that currently have very low to moderate incomes, but whose annual income in 2010 exceeded the income limits of Resolution No. 4281, were not eligible to participate in the Program

On April 11, 2011, the Eugene City Council voted 6:2 to direct the City Manager to bring back to the council an amendment to Resolution No. 4281 that, for the Crest Drive assessments, would use as an additional qualifier for the Program a person's income on April 11, 2011, to determine annual income, instead of using 2010 income.

RELATED CITY POLICIES

The current Street Subsidy Program, adopted by Resolution No. 4281, is Attachment B to this Agenda Item Summary.

COUNCIL OPTIONS

The City Council may consider the following options:

1. Adopt the resolution included as Attachment A.
2. Adopt the resolution with specific modifications as determined by the City Council.
3. Take no action with respect to the resolution.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends that the council adopt the proposed resolution.

SUGGESTED MOTIONS

Move to adopt Resolution 5029 amending Resolution 4281 providing an additional way for property owners subject to a Crest Drive area street improvement project assessment to qualify for the street subsidy program.

ATTACHMENTS

- A. Resolution amending Resolution No. 4281
- B. Resolution No. 4281

FOR MORE INFORMATION

Staff Contact: Kathryn Brotherton
Telephone: 541-682-5010
Staff E-Mail: kathryn.brotherton@ci.eugene.or.us

ATTACHMENT A

RESOLUTION NO. _____

AMENDMENT OF RESOLUTION NO. 4281 PROVIDING AN ADDITIONAL WAY FOR PROPERTY OWNERS SUBJECT TO A CREST DRIVE AREA STREET IMPROVEMENT ASSESSMENT TO QUALIFY FOR THE STREET SUBSIDY PROGRAM.

The City Council of the City of Eugene finds that:

A. On November 4, 1991, the City Council adopted Resolution No. 4281, a resolution adopting a Street Subsidy Program Council Policy Guide (“the Program”).

B. Resolution No. 4281 sets forth the criteria that must be met for a property owner subject to a street assessment to participate in the Program, including the qualifications for low-moderate income persons. In order for a property owner to qualify for the Program, the property owner(s)’s annual income must fall within one of the three categories set forth in section 6.1 of Resolution No. 4281.

C. So that property owners subject to assessment for the Crest Drive Area Street Improvement Project that currently have very low to moderate incomes, but whose annual income in 2010 exceeded the income limits of Resolution No. 4281, can participate in the Program, it is necessary to amend Resolution No. 4281 to allow a Crest Drive Area property owner(s)’s income to be based on an extrapolation of their income on a single day in 2011, instead of their annual income in 2010.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, a Municipal Corporation of the State of Oregon, as follows:

Section 1. Based upon the above findings, the City Council amends Resolution No. 4281 to provide that for purposes of determining annual income in sections 6.1.1 – 6.1.3, the annual income of property owner(s) subject to a Crest Area Street Improvement Project assessment can, at the property owner(s)’s election, be based on the property owner(s)’s income on April 11, 2011. To determine Program eligibility, the property owner(s)’s income on April 11, 2011, will be extrapolated for 364 days. “Income” includes, but is not limited to, work and investment income, retirement income, unemployment benefits and child support. Proof of income on April 11, 2011, shall include, but is not limited to, April, 2011 payroll or unemployment stubs, 2010 Federal Income Tax forms and retirement statements. Notwithstanding a property owner(s)’s

income on April 11, 2011, if a property owner(s) has income on any day during April, 2011 that, when extrapolated, exceeds the income limits of sections 6.1.1 – 6.1.3 the property owner is ineligible for the Program.

Section 2. Notwithstanding Section 7 of Resolution No. 4281, property owner(s) who wants to qualify for the Program under Section 1 of this Resolution has ten (10) days from the date the City sends notice to all property owners subject to assessment for the Crest Area Street Improvement Project to apply to the City to participate in the Program.

Section 3. Notwithstanding Section 8 of Resolution No. 4281, the decision of the City Manager or Manager's designee regarding whether a property owner(s) qualifies to participate in the Program under Section 1 of this Resolution shall be final.

Section 4. Except as explicitly amended by this resolution, all other provisions of the Street Subsidy Program adopted by Resolution No. 4281 apply, including, but not limited to the asset ownership limitations in sections 6.1.1 – 6.1.3.

Section 5. This Resolution shall become effective immediately upon its adoption.

The foregoing Resolution adopted the ____ day of April, 2011.

Deputy City Recorder

RESOLUTION NO. 4281

A RESOLUTION ADOPTING A STREET SUBSIDY PROGRAM COUNCIL POLICY GUIDE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, a Municipal Corporation of the State of Oregon, as follows:

Section 1. This Resolution implements the City of Eugene's Council Policy Guide for Street Subsidy Program which shall be known as the Street Subsidy Program, and herein referred to as Program.

Section 2. Introduction. The Program is authorized by and limited by Section 7.175(1) of the Eugene Code, 1971 (E.C.). When the Program is funded in whole or in part by revenue received from other governmental agencies the funds received from such agencies shall be expended consistent with the funding source and its regulations. Such regulations shall take precedence over this Policy Guide. The policies herein shall not apply to assessments for other kinds of City improvement projects or for the portion of a proposed special benefit assessment that is attributable to other improvements constructed in conjunction with street improvements.

Section 3. Goals and Objectives. The overall goal of the Program is to enhance the quality of life in Eugene.

The primary functional objective of the Program is to assist in the development of a suitable living environment through the construction of fully improved streets. Street improvements have been found to assist in the prevention of blighting influences and deterioration of property and neighborhood and community facilities. Street improvements can enhance neighborhood pride, aesthetics, and traffic safety. The revitalization of deteriorating or deteriorated neighborhoods can reduce the isolation of lower income and minority groups in a community. Fully improved streets provide safer traveling for those using the public way, improve drainage, reduce air-polluting particulates and generally reduce the cost of maintenance of the public way.

Section 4. Definitions. As used in this Resolution, the following words and phrases shall have the meaning ascribed to them by this Paragraph:

City Engineer. The person so designated by the city manager under E.C. 7.005.

Low- moderate income person(s). Those categories of person(s) described

in Section 6 of this resolution. This definition is also intended to limit and define the term as used in E.C. 7.175(1)(c).

Street. Except where expressly noted to the contrary, a public street or alley under the jurisdiction of the City. When a sidewalk or curbs and gutters are constructed as part of a street improvement project they are also included within this definition. A sidewalk improvement constructed under E.C. 7.155 through 7.157 is not included.

Unimproved street. Any street identified by the City Engineer as being substandard and eligible for this Program. Such streets are generally in a developed area but unopen to vehicular traffic, covered with only a gravel or oil mat surface, or without curb or gutter or lacking some other feature considered consistent with the purposes and scope of the Program.

Section 5. Project Eligibility.

5.1 This Program only applies:

5.1.1 To street improvements initiated by the Council or by property owner petition.

5.1.2 To the calculation of street improvement assessments for residentially zoned property upon which a single family dwelling or duplex is owned by low-moderate income person(s) and where prior to forming the local improvement district the street was unimproved. A parcel of land owned by a partnership or corporation is not eligible for this Program.

5.2 Street improvement projects under this Program will be undertaken only as funds are appropriated for the Program and according to the project priority set under Subsection 5.3.

5.3 Street projects shall be prioritized annually by the City Manager or the Manager's designee taking into account factors of project feasibility, traffic factors, neighborhood characteristics, existing street or alley structural conditions, and other relevant factors identified by the City Manager at the time of the rating.

Section 6. Qualifications For Low-Moderate Income Person(s).

6.1 As used in this Program, "low-moderate" income includes any one of the following three categories of income.

6.1.1 Very Low Income. A single property owner's annual income may not

exceed thirty-five percent (35%) of the latest Lane County median family income recognized on July 1 of each year by the Department of Housing and Urban Development. If there is more than one property owner, their combined annual income may not exceed forty percent (40%) of that median family income. These maximum annual incomes may be increased by an additional five (5%) percent of the Lane County median family income for each dependent who is not a property owner(s) and who resides on the property and is related to the property owner(s) by blood or marriage in the first or second degree. Further, none of the property owner(s) may own assets in addition to the property of residence and its household furnishings worth more than four (4) times the allowable income under this subsection, except that assets producing any part of the income counted in this subsection shall be excluded in determining the amount of assets owned.

6.1.2 Low Income. A single property owner's annual income may not exceed fifty-five percent (55%) of the latest Lane County median family income recognized on July 1 of each year by the Department of Housing and Urban Development. If there is more than one property owner, their combined annual income may not exceed sixty percent (60%) of that median family income. These maximum annual incomes may be increased by an additional eight (8%) percent of the Lane County median family income for each dependent who is not a property owner(s) and who resides on the property and is related to the property owner(s) by blood or marriage in the first or second degree. Further, none of the property owner(s) may own assets in addition to the property of residence and its household furnishings worth more than three (3) times the allowable income under this subsection, except that assets producing any part of the income counted in this subsection shall be excluded in determining the amount of assets owned.

6.1.3 Moderate Income. A single property owner's annual income may not exceed seventy-five percent (75%) of the latest Lane County median family income recognized on July 1 of each year by the Department of Housing and Urban Development. If there is more than one property owner, their combined annual income may not exceed eighty percent (80%) of that median family income. These maximum annual incomes may be increased by an additional ten (10%) percent of the Lane County median family income for each dependent who is not a property owner(s) and who resides on the property and is related to the property owner(s) by blood or marriage in the first or second degree. Further, none of the property owner(s) may own assets in addition to the property of residence and its household furnishings worth more than two and one-half (2.5) times the allowable income under this subsection, except that assets producing any part of the income counted in this subsection shall be excluded in determining the amount of assets owned.

6.2 The Program is only available to an owner(s) occupied primary residence or a residence which would be owner occupied but for the health or mental condition of the

owner(s).

6.3 Nothing in this Resolution shall prevent property owner(s) who meet the requirements from having the assessment deferred, extended or modified under E.C. 7.195(2).

Section 7. Determination of City Participation in Street Assessments.

7.1 For purposes of calculating the assessment for an eligible street improvement project, the City's standard methods of calculating the assessments found in E.C. 7.175 shall be used. The amount of a given parcel's front foot assessment shall be:

7.1.1 Very low income: 1/6 (one-sixth) of standard cost.

7.1.2 Low income: 1/3 (one-third) of standard cost.

7.1.3 Moderate income: 2/3 (two-thirds) of standard cost.

7.2 This Program is only available to property where the property owner(s) complies with the procedures and requirements of this Section. A failure to provide information promptly at the time indicated or requested by the City shall be grounds for declaring the property unqualified under the Program.

7.2.1 Before undertaking design of an eligible street project the City Engineer shall determine which parcels to be assessed may qualify under the Program. Inquiry shall be made of the property owners as shown on records the City Engineer believes to be most reliable. A failure of the property owner to respond to the inquiry in a timely manner may disqualify them from the Program.

7.2.2 The notice required by E.C. 7.165 for eligible street projects shall direct low-moderate income property owner(s) within a proposed project to apply for the benefits of the Program prior to the public hearing on the improvement and that failure to apply will prevent them from participating in the Program.

7.2.3 The notice of proposed assessment for eligible street projects shall advise low-moderate income property owners that unless there is good cause shown, if they have failed to timely comply with subsections 7.2.1 and 7.2.2 they are no longer eligible for the Program.

7.3 Except when the property owner qualifies for the Program as provided in this subsection, all property shall be assessed for street improvements as provided in E.C. 7.175(2).

7.3.1 Property of low-moderate income person(s) who have made timely application under the Program shall be assessed as provided in subsection 7.1 hereof.

7.3.2 The property of a property owner(s) who had income that would allow the owner(s) to qualify at the time of the notices in subsection 7.2.1 or 7.2.2 hereof and failed to make timely application under the Program shall be assessed the standard street assessment.

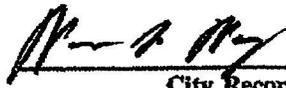
7.3.3 The property of a property owner(s) who subsequent to the time in 7.2.2 qualifies and can show good cause for failure to make timely application and makes timely application before assessments are determined shall be assessed under subsection 7.1 hereof.

7.3.4 The property of a property owner(s) who ceases to be qualified after having made application but before assessments are determined by the Council shall be assessed the standard street assessment.

Section 8. Exceptions and Appeals Process. At the next occurring hearing before the hearing official any person whose property is to be assessed may appeal an interpretation of or request an exception to these policies. The appeal shall be considered by the hearing official and a recommendation on disposition of the appeal shall be included in the official's report to the Council. The Council shall not take additional testimony or evidence on the appeal except upon consent of two-thirds of the members of the Council. The decision of the Council shall be final.

Section 9. The City Recorder is requested to forward a copy of this Resolution to the Executive Director of the City's Public Works Department.

The foregoing Resolution adopted this 4th day of November, 1991.



City Recorder

