

RESOLUTION NO. 3009

WHEREAS, the engineer's report of December 12, 1990 has been prepared for WL-90-5/SS-90-6, Allen Lane Utilities Extension L.I.D.; and

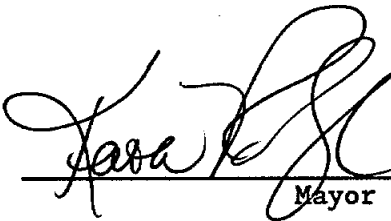
WHEREAS, the financial investigation report of October 17, 1990 has been prepared for the previously proposed and terminated Allen Lane Utilities Extension L.I.D. as directed by the Albany City Council by Resolution No. 2989; and

WHEREAS, said financial investigation report of October 17, 1990 is applicable to the current WL-90-5/SS-90-6, Allen Lane Utility Extension L.I.D.; and

WHEREAS, the engineer's report and financial investigation report have been received by and meet with the Albany City Council's approval.

NOW, THEREFORE, BE IT RESOLVED that the Albany City Council intends to make the improvements and hereby directs that a public hearing be scheduled for January 9, 1991 at 7:15 p.m. to consider the proposed project WL-90-5/SS-90-6, Allen Lane Utilities Extension and that notices of the public hearing be in compliance with AMC Section 15.04.060.

DATED THIS 12th DAY OF December, 1990.

  
\_\_\_\_\_  
Mayor

ATTEST:

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

INTERDEPARTMENTAL MEMORANDUM  
Public Works Department  
Engineering/Utilities Division

TO: Albany City Council

VIA: Steve Bryant, City Manager

FROM: John Joyce, P.E., Public Works Director

DATE: December 12, 1990, for December 12, 1990, City Council Meeting

SUBJECT: Engineer's Report - Allen Lane Utilities Extension L.I.D.  
(WL-90-5, SS-90-6 Revised District)

This project has been initiated in response to a request from the Supra Corporation to provide sanitary sewer and water service to tax lot 1400, Map No. 11s-04W-25. (See attached map Exhibit A). A previous proposal to form a local improvement district to provide these services was terminated at the November 14, 1990, City Council meeting due to property owners' remonstrances. After consultations with the City Attorney, it is proposed that the Albany Redevelopment Agency (ARA) fund a portion of the previously proposed amount to be assessed, that the number of properties to be assessed be reduced to two, and that a new local improvement district with different boundaries from that previously terminated be initiated. This Engineer's Report delineates the boundaries of the proposed new district, identifies benefitted properties, defines a method of apportioning the benefit based upon square footage of benefitted area, and quantifies the estimated assessments to each benefitted property.

In accordance with City Council, bids have already been solicited for this project. Sufficient time was specified in the bidding documents to allow the City to award a contract at the January 9, 1991, City Council meeting. Those bids are discussed in a separate memorandum to be distributed to the Council at the December 12, 1990 council meeting.

Description of Project:

The project will include the construction of approximately 1,245 feet of 12-inch ductile iron waterline, and 1,235 feet of 12-inch PVC sanitary sewer line. Utilities will extend from existing mains at Highway 99E to the western edge of the proposed Supra development on tax lot 1400.

Summary of Estimated Cost (sanitary sewer and water):

Estimated Construction Cost	\$80,000.
15% City Engineering, Legal, and Administration	<u>\$12,000.</u>
Total Estimated Project Cost	\$92,000.
ARA Funding of the Non-assessable Project Cost (ARA is also funding deferred assessments)	\$40,130.
Portion of Project Cost to be Assessed	\$51,870.

Method of Assessment:

Staff recommends that the benefitting property owners be assessed on a square foot basis. The area of assessment will be the complete area of tax lot 1400, and the westerly one-half of the northerly 475 feet of tax lot 2102. The assessment areas are outlined with dashed lines on Exhibit A.

Other portions of tax lot 2102 and other property that were proposed to be benefitted under the previously proposed and terminated district may be served by connection to existing and future lines running parallel to or adjacent to Highway 99E. In the event that at some future date they alternately make connection to the mains to be constructed with this district, they will be charged an in lieu of assessment to the extent that such is provided for by ordinance at the time of connection.

Estimated property assessments for this proposed local improvement district are shown on the attached assessment data sheet, Exhibit B.

Project Funding:

To foster the development of the large industrial tract south of Allen Lane and west of Highway 99E, the ARA proposes to fund the \$40,130 non-assessable portion of the project cost. Additionally, ARA proposed to fund, subject to separate written agreement with the respective property owners, a portion of the \$21,367 assessment against tax lot 1400 (the Supra property), and to initially fund the assessment against tax lot 2102 to allow the deferral of assessment payments until connection is made to City water and/or sewer mains (such separate agreements are not part of the assessment district process). The total initial construction financing, estimated at \$80,000., will be financed by ARA.

A financial investigation report was previously developed for the prior assessment district which was terminated. This financial investigation report is attached hereto for information. The proposed assessments for this new district are less than proposed for the previous district. A new financial report has not been directed by the Council.

Recommendation:

It is recommended that the City Council accept this Engineer's Report, declare its intent to make the improvements by adopting the attached Resolution, and set a public hearing for January 9, 1991, to hear any objections or support for the project.

It is recommended that the Council make a determination that a new financial investigation report is not needed based upon the fact that the proposed assessments are less than those included in the previous financial investigation report.

Respectfully submitted,



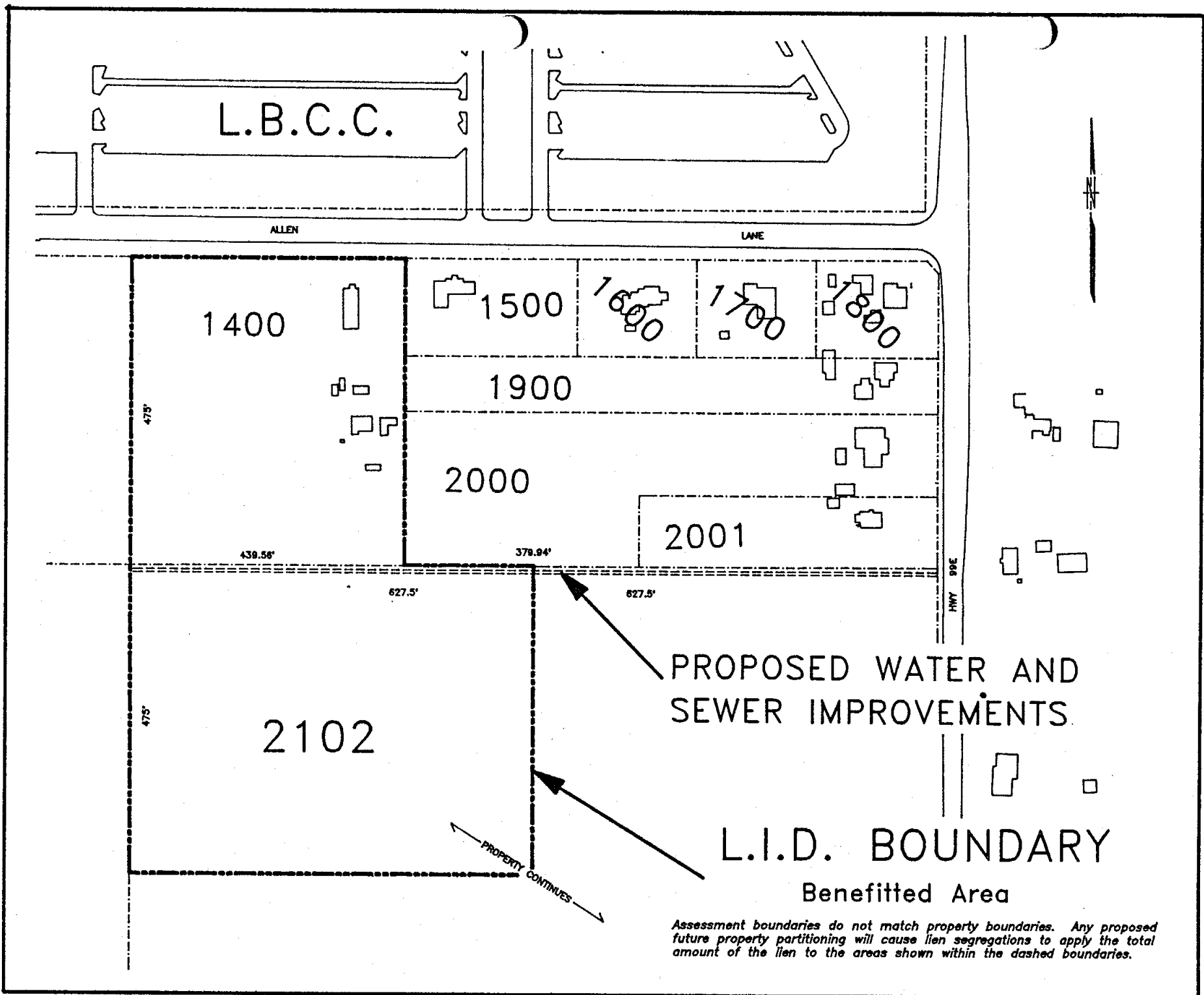
Dean Nebergall, P.E.  
Acting Engineering Supervisor

Approved by,



John Joyce, P.E.  
Public Works Director

EXHIBIT A  
December 12, 1990



PROPOSED WATER AND SEWER IMPROVEMENTS

L.I.D. BOUNDARY  
Benefitted Area

*Assessment boundaries do not match property boundaries. Any proposed future property partitioning will cause lien segregations to apply the total amount of the lien to the areas shown within the dashed boundaries.*

# ASSESSMENT DATA SHEET

December 12, 1990

WL-90-5/SS-90-6, Allen Lane Utilities Extension L.I.D.

NAME	TAX LOT	AREA (SQ. FT.) <sup>1</sup>	\$ PER SQ. FT.	PROPOSED ASSESSMENT <sup>2</sup>
Supra Corporation 1133 Commercial Way Albany, OR 97321	11S 4W 25 1400	208,791	0.1023...	\$ 21,367*
Ryan, Peter J. <sup>3</sup> c/o Leon Lewis	11S 4W 25 2102	298,063	0.1023...	30,503
	TOTALS	506,854		\$ 51,870

\* Portion of tax lot 1400 assessment may be paid by ARA as established in a separate agreement.

\*\* The assessment payments for tax lot 2102 may be eligible for deferment subject to the terms of a separate agreement with ARA.

<sup>1</sup> Area rounded to nearest square foot

<sup>2</sup> Assessment rounded to nearest dollar

<sup>3</sup> This property under multiple ownership, see also

Ryan, Kathleen  
P.O. Box 832  
Albany, OR 97321

Lewis, Eleanor  
same address given

## EXHIBIT B



FINANCIAL INVESTIGATION REPORT (cont)  
Allen Lane Sewer and Water Line Extension  
SS 90-06 and WL 90-05

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

The city has approximately 50 residential lots that were obtained through lien foreclosure. This is down from a total of 200+ that the city had in 1986.

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

There are no city assessments on any of the properties in this LID. None of the properties are subject to foreclosure because of delinquent taxes.

Section 5. Real estate value trends in the area.

Real estate values in the proposed LID have remained constant. Very little new development has taken place in the immediate area. This is the first development in the new Allen Lane Industrial Park. Real estate values should increase as the park develops.

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

Tax on the property should be consistent with the rest of the City. If state ballot measure 5 is approved the tax rate could decrease by \$18 per thousand assessed valuation. The LID improvements could add significant value to the adjoining lots by making them ready to development.

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

Yes

Section 8. Status of City's debt

The city has \$1.5 million in outstanding Bancroft debt. This small LID would probably be financed through city reserve funds. There is \$650,000 in delinquent assessment.

Section 9. Estimated cost of financing.

The financing charge would be 8.84% or the cost as determined from a more current Bancroft bond issue.

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

The city has no reason to believe that the property owners could not pay the proposed assessment.