

**MEMORANDUM**

TO: Mayor and City Council

FROM: Faye Stewart, Acting City Manager, Public Works & Development Director

SUBJECT: AD-HOC STREET IMPROVEMENT AND FUNDING COMMITTEE RECOMMENDATIONS

DATE: April 3, 2024

Background

The Ad-Hoc Street Improvement and Funding Committee Chair, Amber Bahler is here this evening to present the Committee's recommendations to improve streets and increase revenue to fund the improvements to the City Council.

Recommendation

This is an informational item only. Council could direct staff to proceed with implementing some, if not all the Ad-Hoc Committee's recommendations or direct staff to bring the item back to Council at a future meeting for further discussion and possible direction.

Cost

No cost.



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Faye Stewart, Acting City Manager

# Cottage Grove Ad-Hoc Street Improvement and Funding Committee

To: Cottage Grove City Council, Cottage Grove, Oregon  
From: Ad-Hoc Street Improvement and Funding Committee  
Date: April 2, 2024  
Re: Street Funding Recommendations

Dear Cottage Grove City Council,

On May 8, 2023 the City Council approved Resolution # 2095 creating the Ad-Hoc Street Improvement and Funding Committee. The Committee, comprised of City Councilors, the Mayor and local citizens, with support from City staff, reviewed the current street improvement needs, reviewed the available funding in the City's approved budget, reviewed the available funding mechanisms to generate street funding, gathered input from the public, and are now making recommendations to the Council. Our last update to the Council was on August 14<sup>th</sup>, 2023 at which time we asked for additional time to formulate the recommendations to the Council.

Since May 2023, we've had 9 committee meetings, 7 presentations to local organizations, 2 Beeper Shows, a Town Hall and a few local news articles. We identified the funding gap between our current PCI of 55.4 (Low Fair) to our ideal PCI level of 72 (Good), which not accounting for inflation is a \$35M backlog or \$3.5M per year over a 10-year period. The committee's Vision and Objectives were:

- **Vision:** Improve the quality of our streets through a fair and equitable use of funding means that improves and maintains the City streets to a PCI rating of 72 (good quality rating), with a priority on arterials and collectors, for the long-term improvement of property values and livability in Cottage Grove.
- **Objective:** To research and recommend an acceptable source of funding to the community and stakeholders that will supply the funds for the necessary street improvements. The goal is to support a level quality of 70 in the street Pavement Condition Index (PCI) for the arterial and collector roads.

On behalf of the Ad-Hoc Street Improvement and Funding Committee, we propose the following recommendations in alignment with our Vision and Objectives as stated above:

- Submit to the voters a \$.06 City gas tax increase to fund street improvements; this would take our \$.03 City gas tax up to \$.09.
- Submit to the voters a \$.50 per \$1,000 of assessed property value via a 5-year bond measure dedicated to street repairs.
- Promote and support Limited Improvement Districts for local residential street improvements.
- Enact, upon guidance from Legal Counsel, via Council a limited Transportation Utility Fee specifically for repairs on roads such as Gateway, where heavy truck traffic is a significant factor in road wear.
- Collaborate with State Legislative Representatives to sponsor a bill enabling the formation of Transportation Improvement Districts. These districts would charge a yearly use fee collected at the time of vehicle registration or tag renewal, providing a sustainable revenue stream for ongoing street maintenance.
- Continue pursuit of grants that would improve Cottage Grove roads.
- Partner with LTD to find ways to coordinate efforts to improve roads or offset wear from LTD buses.

- Investigate a provision requiring developers to contribute to the cost of repairing damage to the road system caused by heavy hauling associated with City development projects.
- Create an oversight committee tasked with reviewing revenue and expenditures of the street fund, reporting at a minimum of annually to City/District residents to ensure transparency and accountability.
- Commit to significant outreach and education efforts before presenting these measures to voters in the November 2024 election, ensuring residents are informed and engaged in the decision-making process.

These measures aim to address the urgent need for street improvements in our community and ensure the long-term sustainability of our City's road infrastructure.

Sincerely,  
Ad-Hoc Street Improvement and Funding Committee