

MEMORANDUM

TO: Mayor and City Council

FROM: Faye Stewart, Public Works & Development Director

SUBJECT: STREET IMPROVEMENT AND FUNDING UPDATE

DATE: May 8, 2024

Background

On April 8, 2024 the City Council received a recommendation from the Ad-Hoc Street Improvement and Funding Committee. This is an update of staff's efforts to date regarding the Committee's recommendations.

- April 10th Director Stewart met with Alex Cuyler, Lane County Governmental Affairs Manager to discuss Lane County working together on a State Legislature Bill that would allow Cottage Grove and Lane County to create a voter approved Road Maintenance and Improvement District. Director Stewart also spoke with Lane County Administrator, Steve Mokrohisky, and he indicated Lane County is willing to discuss the idea.
- On April 16th City Manager Sauerwein and Public Works & Development Director Stewart met with Legal Counsel Carrie Connelly to discuss the Committee recommendations regarding, gas tax increase, street repair bond levy, Local Improvement Districts (LID), and Transportation Utility Fees (TUF). Ms. Connelly has provided a draft Resolution referring the question of a \$.06 gas tax increase. She reviewed the LID Cottage Grove Municipal Code Chapter 7.04 and recommends updating the code prior to creating an LID for street improvements. She also shared information about the TUF and the differences between an LID and TUF. Lastly Ms. Connelly recommended staff meet with Gulgun Ugur, Bond Counsel regarding placing the question on the ballot regarding a Street Improvement General Obligation Bond Levy.
- On April 25th Finance Director Likens and Director Stewart met with Attorney Ms. Ugur and Matt Donahue to discuss a Street Improvement Bond Levy similar to the City of Eugene and Springfield. On April 26th Ms. Ugur shared with staff a draft Resolution and supporting documents from other ballot measures for past street funding efforts. Mr. Donahue is calculating what a \$.50 per thousand property tax measure would generate for revenue over a 5 year term. Staff will share that information with City Council once received.
- Director Stewart contacted Jake Pelroy with Pelroy & Associates regarding creation of factual information documents City staff can use to share with city residents to explain the potential gas tax and bond measure. Mr. Pelroy is preparing a cost proposal for that work.

Recommendation

This is an informational item only. Staff will give regular updates to the Council on the progress made implementing the Ad-Hoc Committee recommendations.

Cost

No cost.



Mike Sauerwein, City Manager



Faye Stewart, Public Works &
Development Director