

Ad Hoc Street Improvement & Funding Committee

November 2, 2023 Meeting Agenda

Time & Location: 6:00 pm. At Cottage Grove City Hall, Council Chambers, 400 E. Main Street

Please join my meeting from your computer, tablet or smartphone.

<https://meet.goto.com/CottageGrove/november2adhocstreetimprovementfundin...>

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Agenda,

1. Welcome
2. Approval of September 27, 2023 Meeting Minutes
3. Presentation, Summary of Committee work to date, Chair Bahler
4. Continued Committee Discussion and Creation of Committee Recommendation(s)
5. Public Outreach, Focus Groups & Town Hall Meeting
6. Next Meeting

Ad Hoc Committee

Cottage Grove Street Improvement

May 8th - October, 2023

The Committee

- City Council: Mayor Solesbee, Council President Ervin, Councilor Fleck, Councilor Stinnett, Councilor Savage, Councilor Merryday, and Councilor Dreher.
- Youth Advisory Council (YAC) Member: Cassidy Poetzl.
- Citizen Members: Amber Bahler, Garland Burbach, Jeff Conklin, Chris Holloman, Michael Laborde, Michael Praegitzev, Robert Reetz, and Tiffany Williams.
- City Employees: Faye Stewart, Richard Meyers, and Tina MacDonald

We've met 7 times since May and established a vision, objectives and a recommendation.

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.

Our objectives are to provide a funding package recommendation that:

- Supports a level of quality of 70 PCI for arterials and collectors
- Opportunity to further improve PCI via resident initiated Limited Improvement Districts and Designated Services Districts
- Is acceptable and of benefit to the community
- Includes a suite of funding options and consideration of marketing for success

Funding Options

- Option 1 - do nothing - streets will turn to gravel - put \$200k per year towards \$35M improvement backlog
- Option 2 - small incremental increases in street funding (e.g. \$.03 increase of \$330k per year)
- Option 3a - pitch what we need to address the street improvement backlog to get us to a Low Good PCI (70 for arterials and collectors and 72 overall including local streets) in 10 years using a suite of options to generate \$35M in revenue (\$3.5M per year) with a 5 year sunset
 - With current funding sources continue preservation work and small improvements utilizing current staff and equipment.
 - Gas Tax: Put on the ballot no earlier than May '24 a city gas tax increase of \$.06, from \$.03 to \$.09 a gallon an increase per fill up to \$3.00.
 - Property Tax: Increase property tax on city residents by \$.81 per \$1000.
 - Payroll Tax: Add an employer payroll tax of 1% on all non-minimum wage workers working in Cottage Grove.
 - LID: Offer to match funds up to \$750k for neighborhoods who want to improve their local street via an LID.
 - DSD: Offer as an option to local residents and/or business owners who want to improve specific streets (e.g. Gateway).
- Option 3b - in parallel to Option 3a, pursue creative funding sources that capture additional users of city streets not paying their fair share for example:
 - Grants (e.g. ODOT, LTD, Department of Ag)
 - Work with Legislators to create a Transportation Improvement District
 - Custom license plates
 - Photo traffic control
 - Road use fee

Risks

- Public won't support any options that will increase revenue
- If we don't generate incremental revenue for streets, the street quality will continue to decline
- If we don't do enough outreach and feel confident in the recommendation to the council by end of year, we aren't likely to get meet the May '24 campaign timeline
- If we don't get voters support in the May '24 election then we're unlikely to get additional funding allocated to the '24/'25 budget

	2023/2024	2024/2025	2025/2026	2026/2027
Revenue				
3% Gas Tax	\$350,000	\$350,000		
State Highway	\$850,000	\$850,000		
Grants	\$145,000			
Carryover - Main?	\$525,000			
Interest	\$3,000			
New Sources				
TUF - Arterials		\$281,000		
LID - Residential		\$1,000,000		
Gas Tax increase - 3%		\$330,000		
Property Tax increase - .81 per 1000		\$630,000		
Payroll Tax - 1%		\$1,259,000		
	\$1,873,000	\$4,700,000		
Expenses				
Operations (People + Material)	\$707,000	\$742,350		
Street Sweeper	\$113,000	\$118,650		
Chip Seal	\$280,000			
Main St - goes towards PCI Improvement	\$400,000			
General Support	\$117,000	\$122,850		
Contingency	\$226,000	\$237,300		
Misc	\$30,000			
New Improvements				
Collectors & Arterial Road Improvement + limited local	\$2,197,850			
Local Road Improvement + Arterials via TUF	\$1,281,000			
	\$1,873,000	\$3,500,000	\$3,500,000	\$3,500,000
Amount of capital investment to get PCI to 72	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000
	\$3,100,000			
Details				
PCI Overall	55.4			
PCI Local	57.7			
PCI Goal Overall	72			
\$ Target 2024/2025	\$3,500,000			
PCI Goal Collector/Arterial	70			
Amount to raise after Main st \$400k in 2023/24	\$3,100,000			
Amount to raise for fairish PCI for collectors/arterials	\$1,900,000			
Amount to be raised by TUF and LIDs	\$1,600,000			
No vote				
TUF				
No vote				
LID				
City wide vot Gas Tax increase - 3%	\$330,000			
No vote	\$630,000			
Property Tax increase - .81 per 1000	\$1,259,000			
Requires Vot Payroll Tax - 1%	\$2,219,000			
Local Options				
1. Do Nothing				
2. Wait - hope costs of cap improvement go down, but could go up				
3. Pay via LID				

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2. Wait - hope costs of cap improvement go down, but could go up				
3. Pay via LID				

4. Revert road to gravel

Arterials & Collectors

1. Gas tax increase, payroll and property + TUF
2. Do Nothing
3. Wait - hope costs of cap improvement go down, but could go up
4. Gas tax increase, payroll and property

Options to Explore

1. Transportation District to capture outside city
2. Match from Dept of Ag
3. Funding via LTD
4. Lobby legislature to obtain funding via alternative mech
5. Grants