

## RESOLUTION 17-55

### A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE OSWEGO CREATING A LOCAL STREET RECONSTRUCTION PROGRAM

**WHEREAS**, a pavement condition survey completed by Capitol Asset & Pavement Services in 2016 found that over twenty percent of local residential streets were in “Poor” (Pavement Condition Index below 50) or “Very Poor” (PCI below 25) condition; and

**WHEREAS**, due to funding limitations, the City’s priority for street reconstruction is on arterial and collector streets which serve larger percentages of residents, and receive more traffic; and

**WHEREAS**, the Lake Oswego City Council desires to encourage residents to take advantage of Local Improvement District financing as a way to improve local neighborhood streets;

**NOW, THEREFORE BE IT HEREBY RESOLVED** by City of Lake Oswego Council:

**Section 1.** A Local Street Reconstruction Program is hereby created as follows:

- A) This Program is instituted under the provisions of LOC Article 40.02, Local Improvement Districts.
- B) Any owner of residential property abutting a local (i.e., not an arterial or collector) public street may request that a Local Improvement District under this program be formed.
- C) When such a request is submitted, the City Engineer will review it for feasibility, taking into account these factors:
  - 1) Condition of the local street(s) proposed for reconstruction. Only streets requiring reconstruction are eligible for this program; those simply requiring preventive maintenance will be scheduled based on the City’s Pavement Management System.
  - 2) Availability of matching funds.
  - 3) Potential conflicts with the City’s “Dig Once” policy. For example, street reconstruction may be delayed to allow it to be done in conjunction with water or sewer line replacement scheduled in the Capital Improvement Plan.
  - 4) Other right-of-way design issues, such as plans for, or neighborhood interest in, pathways or storm drainage improvements.
  - 5) Cost-effectiveness of the proposed LID. For example, a resident may propose reconstructing the street on a single block, but it may be more cost-effective to contract for reconstruction of several blocks in the immediate vicinity.
- D) If on a preliminary review the City Engineer deems the proposed LID to be feasible, the City Engineer will recommend that the City Council declare the intent to initiate the LID under this program, as provided in LOC 40.02.020 (1).
- E) If the City Council declares the intent to initiate the LID under this Local Street Reconstruction Program, before proceeding with an engineering study and report, the City Engineer or designee will mail to all abutting property owners a letter informing them that resident(s) have expressed interest in forming an LID under this program, and giving the property owners an opportunity to terminate consideration of the LID by mailing or delivering a letter to that effect within fifteen days of the date

of the Engineer's letter. The Engineer's letter may provide very rough cost estimates, but it will state that property owners will have another opportunity to terminate the LID process under this Program when more detailed engineering design and cost estimates have been prepared.

- F) If fewer than fifty percent of the owners of abutting properties mail or deliver a timely termination letter as provided in paragraph E, the City Engineer will proceed with preliminary design, and preparation of the report required by LOC 40.02.030.
- G) If more than fifty percent of the owners of abutting properties mail a termination letter as provided in paragraph F, the City Engineer may recommend that the City Council amend its declaration of intent to initiate the LID by reducing the scope of the proposed LID such that it likely will not be opposed by more than fifty percent of the abutting property owners in the revised district. If the Council amends the declaration, the City Engineer will re-start the process by providing a second mailing to property owners under Section E. Otherwise, the City Engineer will advise the City Council that the proposal does not meet the requirements of the Local Street Reconstruction Program, and will recommend that the Council repeal its resolution initiating the LID under the Program.
- H) Subject to funding availability, City Street funds will be used to match LID funds for the cost of reconstructing the street(s). City Street funds will also cover all other costs associated with the LID, including but not limited to engineering, notices, financing charges, and other overhead costs. In other words, the LID will pay for fifty percent of the construction cost only. (See 40.02.100, Alternate Methods of Financing.)
- I) Property owners may be interested in including in the local improvement district other right-of-way improvements, such as pathways or storm drainage improvements. If done in conjunction with local street reconstruction, no additional overhead costs will be included in the LID, but the LID will cover the full construction cost of these additional improvements.
- J) Interest rates for Local Improvement Districts are set by Resolution 95-15.
- K) Upon completion of the preliminary engineering design and report, a notice of hearing will be prepared in accordance with LOC 40.02.040.
- L) A public hearing will be conducted in accordance with LOC 40.02.060. Under this Program, the City Council will not proceed with formation of the proposed local improvement district if the owners of more than fifty percent of the property to be assessed submit written statements of remonstrance as provided by LOC 40.02.050. Even if fewer than fifty percent of property owners submit written statements of remonstrance, the City Council may vote to not proceed with formation of the local improvement if it finds that creation of the district is not in the public interest.
- M) Formation of the district, completion of the improvements, assessing property owners, and all other aspects of administering the district will be as provided by LOC Article 40.02.
- N) The City Manager is directed to take steps to make owners of eligible properties aware of this program, and of the City Council's encouragement of residents to take advantage of it.

**Section 5.**      Effective Date. This Resolution shall take effect upon adoption.

Adopted at the regular meeting of the City Council of the City of Lake Oswego on the 3<sup>rd</sup> day of October, 2017.

AYES: Mayor Studebaker, Gudman, LaMotte, Kohlhoff, Buck, O'Neill, Manz

NOES: None

EXCUSED: None

ABSTAIN: None

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Kent Studebaker, Mayor

ATTEST:

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Anne-Marie Simpson, City Recorder

APPROVED AS TO FORM:

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David Powell, City Attorney