



**CITY OF CORVALLIS  
COUNCIL WORK SESSION**

**AGENDA**

**July 22, 2010  
7:00 pm**

**Madison Avenue Meeting Room  
500 SW Madison Avenue**

**COUNCIL ACTION**

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**I. ROLL CALL**

**II. UNFINISHED BUSINESS**

A. Sustainability Initiatives Funding [direction]

**III. OTHER**

**IV. ADJOURNMENT**

For the hearing impaired, a sign language interpreter can be provided with 48 hours' notice prior to the meeting. Please call 766-6901 or TTD/TDD telephone 766-6477 to arrange for such service.

**A LARGE PRINT AGENDA CAN BE AVAILABLE BY CALLING 766-6901**

*A Community That Honors Diversity*

## MEMORANDUM

July 12, 2010

To: Mayor and City Council  
From: Steve Rogers, Public Works Director   
Subject: Sustainability Initiatives Funding (SIF) Worksession

### Issue

The City Council scheduled a worksession to further discuss the proposed SIF.

### Background

The Administrative Services Committee (ASC), at their May 6<sup>th</sup> meeting, recommended enactment of the proposed fees for transit, sidewalk maintenance and alternate modes. They recommended not to enact fees for the urban forestry program and energy conservation/renewable energy projects at this time.

### Discussion

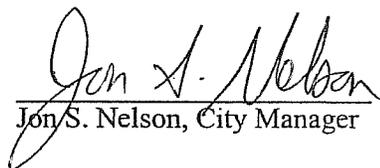
A proposed agenda for the worksession is included in the attachments. New information is provided through a timeline of the discussion of the initiatives that led to the SIF proposal, two pieces of citizen input, responses to questions from the Council and the public, proposed projects for the Alternative Modes SIF, excerpts from the Energy Strategy *Ad-hoc* Committee minutes that refer to funding for projects, and a description of the term 'trip generation'.

An explanation of the title used to bring forward these items for consideration is warranted. The August 31, 2009 staff report to Administrative Services Committee noted that four transportation-related items (transit, sidewalks, alternate modes, and street trees) would come to the City Council for consideration in Phase 2 of a transportation funding discussion (Phase 1 was the re-authorization of the Transportation Maintenance Fee). Later, at the urging of the Energy Strategy *Ad-hoc* Committee, a funding initiative for energy conservation/renewable energy was added. It was intended that this group of five items would be discussed simultaneously and 'sustainability' seemed to be the only common theme. Therefore, staff thought Sustainability Initiatives Funding would be appropriate to use as an 'umbrella' term, in lieu of listing the individual items each time the topic was addressed.

### Recommendation

This report is for information only.

Review and concur,

  
Jon S. Nelson, City Manager

- Attachment I - Worksession agenda
- Attachment II - Timeline of Council-level discussion of SIF components
- Attachment III - New public input
- Attachment IV - Questions posed in comments received about SIF
- Attachment V - Proposed use of the alternative modes SIF
- Attachment VI - Funding references in the *Ad-hoc* Committee minutes
- Attachment VII - Explanation of 'trip generation'
- Attachment VIII - Minutes, staff report and selected attachments from the April 13, 2009 Sidewalk Safety Program worksession
- Attachment IX - Council minutes, ASC minutes and staff report from the discussion on alternative funding sources for transportation in October/September 2009
- Attachment X - Council minutes and SIF Briefing Paper from March 1, 2010
- Attachment XI - Council and ASC minutes from the SIF proposal deliberations in May 2010

**Sustainability Initiatives Funding Worksession**

**July 22, 2010**

**Agenda**

1. Staff Overview of Packet Material ( 5 minutes)
  
2. Transit Initiative (20 minutes)
  - Questions of staff
  - Councilor preferences
  - Identify common ground
  
3. Sidewalk Safety Program Initiative (20 minutes)
  - Questions of staff
  - Councilor preferences
  - Identify common ground
  
4. Alternative Modes Initiative (20 minutes)
  - Questions of staff
  - Councilor preferences
  - Identify common ground
  
5. Urban Forestry Program Initiative (20 minutes)
  - Questions of staff
  - Councilor preferences
  - Identify common ground
  
6. Energy Conservation and Renewables Initiative (20 minutes)
  - Questions of staff
  - Councilor preferences
  - Identify common ground
  
7. Next Steps ( 5 minutes)

**Timeline of Council-level Discussion of Items/Issues  
that Led to the Sustainability Initiative Funding Proposals**

**July 2010**

<b>City Council Meeting Date</b>	<b>Description</b>
Feb. 11, 2009	Staff report on the Community Sustainability Action Plan - includes information on which items are already in progress, which are in a work plan, and which would be new initiatives
Mar. 16, 2009	Council deliberates on Community Sustainability Action Plan items
Apr. 6, 2009	Council establishes Energy and Transportation Policy Goals - action items for these goals include renewable energy surcharge, encouraging bike use, and reducing transit fare cost
Apr. 13, 2009	Council discusses Sidewalk Safety Program during worksession
May 4, 2009	Staff report on implications of Council's selected actions for the Energy and Transportation Policy Goals
May 18, 2009	Council votes on Energy and Transportation Policy Goal actions for staff to pursue. Actions with most votes include: - Investigate use of renewable energy surcharge on utility bills or other potential funding sources directing proceeds to local energy conservation and generation - Encourage bike use - Explore alternative funding sources to achieve increase in transit hours, frequency and range, and reduce cost. Free transit.
Oct. 5, 2009	Council adopts Urban Forest Management Plan and approves public outreach process for Phase II of the transportation funding issue (becomes Sustainability Initiatives Funding)
Jan. 4, 2010	Council approves <i>Ad-Hoc</i> Committee's recommended Community Energy Strategy and related documents. - actions in the strategy include reduce transit fares, improve bike parking facilities, increase pedestrian routes, improve bike routes, maintain safe sidewalks, and implement Corvallis Urban Forest Plan
Mar. 1, 2010	Council discusses Sustainability Initiatives Funding (SIF) Briefing Paper and related public outreach process
May 3, 2010	ASC minutes transmit public testimony on SIF
May 17, 2010	Council discusses ASC recommendations on SIF proposals and decides to hold a worksession

Steckel, Mary

Subject: FW: [Fwd: <web>sustainability fees]

-----Original Message-----

From: Mark O'Brien [mailto:ward1@council.ci.corvallis.or.us]  
Sent: Wednesday, May 26, 2010 9:40 PM  
To: Louie, Kathy  
Subject: [Fwd: <web>sustainability fees]

Kathy-

Additional testimony for the SIF work session.

Thanks, Mark

----- Original Message -----

Subject: <web>sustainability fees  
From: bob@xxxxxxx  
Date: Wed, May 26, 2010 2:30 pm  
To: ward1@council.ci.corvallis.or.us

This is an inquiry e-mail via Contact Us form:

Bob Elaine Torbet  
bob@xxxxxxx  
prefer phone contact: no

Mark. Elaine and I are in you ward and we wish to express our complete disagreement to being forced to pay for someone else's choice to ride the bus and pay for someone else's repair of their sidewalk or any other service that these fee's cover. I have no argument with people making individual choices along these lines, but it is and should remain a "choice" and not a mandated fee!

We live in the Barley Hill Sub-division and I have covered with the majority of my neighbors and they are all in unanimous agreement against these mandated fees. So please. For once in our government's life, please listen and represent the majority of the voters instead of the loud, self serving minority.

Bob & Elaine Torbet  
xxxxxxxxxx  
Corvallis, Or.  
541-757-1756

June 22, 2010

Richard--

After thinking more about the Sustainability Fee for Transit proposal and reflecting on the testimony I heard at the public hearing and the city council meeting, I invested some time/energy in research.

Here's a quick summary, followed by more detail.

### **MY CONCLUSIONS**

- Service expansion and fareless service would increase ridership.
- Based on the current fleet, ridership data, Passenger Code of Conduct, staff expertise, and future stable financial support (plus a boost from Google Transit), CTS can handle increased ridership.
- Fareless and expanded transit service could contribute to the city's goals to increase transit ridership and make transit a desirable alternative to the automobile.

### **TRANSIT RESEARCH**

Here are some highlights from three comprehensive transit studies cited at the end of my email (identified by the numbers in brackets following each point):

#### **Factors that Impact Increased Ridership**

1. Agencies that dramatically increased ridership had "strong public and political support, which made substantial and **stable financial resources available.**" [1]
2. **External factors** (gasoline prices, cost of vehicle ownership, costs and ease of parking, unemployment) **had a more significant impact on transit use than internal factors** (fares, level of service, schedule, route design, etc.). [1]
3. **Service enhancements** (area coverage, frequency, hours of operation) **and fare reductions<sup>1</sup> both increased ridership.** [1]
4. **Service enhancements increased ridership more than fare reductions<sup>1</sup>.** [1]

<sup>1</sup> Footnote to 3 and 4. Because there are few fareless transit systems, these summaries are likely based on systems reducing their fares, not on systems that do not charge fares.

### **Fareless Transit Systems**

1. "We [authors of the study] estimate that **switching to a fare-free policy will increase ridership between 25 percent and 50 percent.**" page 52 [2]

2. "**Experiences with fare-free policy** in Washington [state] **are overwhelmingly positive**, a result that is consistent with other completely fare-free systems in the U.S. identified in this research." page 2 [2]

3. "Much of this **success should be credited to management** who are totally committed to making fare-free policy a success." page 41 [2]

4. **Fareless service is a better fit for small and medium-sized transit systems.** [2]

5. "Of particular importance is how ridership increases associated with fare-free policies can largely be explained by **a significant drop in the psychological costs associated with the farebox.** The removal of the fare box can eliminate a barrier in the minds of potential passengers, many of whom may see **the fare box as a source of confusion and possible embarrassment.**" page 29 [2]

6. "**The fare box is one of the barriers that deflects the occasional or choice rider from the bus and into the automobile.** In many important ways the fare box is the defining element of the transit environment." page 50 [2]

7. Survey of transit officials in this study supports the view that "**a significant proportion of riders on fare-free systems are, in fact, choice riders.**" page 33 [2]

8. **Other outcomes of fareless service:** [2]

- Crowding, leading to increased demand for service

- Changes in on-time performance
  - Increased by: faster boarding (using two doors); no need to show a pass or pay \$\$\$ or have the driver write out a transfer
  - Decreased by: more passengers and more stops
- Increase in "problem passengers"--less likely in smaller communities
  - Note: 'CTS Passenger Code of Conduct was revised in 2009; behavior standards and drivers' and staff actions are clearly outlined
- Increase in public support when citizens see fuller buses and more passengers waiting at stops

### Types of Riders

1. Different subgroups (current vs potential riders, irregular vs regular riders, choice vs transit-dependent riders) are impacted differentially by internal factors. For example, irregular riders are more impacted by bus information; **choice riders are impacted more by service features like travel time**; transit-dependent riders are impacted more by service reliability. [1, 3]

### **CORVALLIS TRANSIT SYSTEM DATA**

CTS has 11 buses, 2 spare buses and the trolley. At peak service, 9 buses are in use; 6 are in use all of the time

For 2009/2010 fiscal year...

- 700,000+ rides total
- 2,250 rides per day (Monday through Saturday)
- 26.9 rides per bus hour

(Note: June 2010 data was not yet available, so I estimated the June figures based on June's percentage of annual ridership in previous years)

### **POTENTIAL ADDITIONAL IMPACTS ON TRANSIT RIDERSHIP**

- Google Transit for CTS (an internet trip-planning service that is free to users and free to CTS) is going online in June; I'll send you the link when it is up and running. FYI: volunteers donated time and expertise for several months to set up CTS data for Google and to train city staff.
- Citizens may opt to ride the bus to "get what they paid for" (22 round-trip rides a year).

## Transit Studies Reviewed and Some Additional Info

[1] Taylor, Brian D., Peter Haas, Brent Boyd, Daniel B. Hess, Hiroyuki Iseki, and Allison Yoh. 2002. **Increasing Transit Ridership: Lessons from the Most Successful Transit Systems in the 1990s.** U.S. Federal Highway Administration Report FHWA-CA-TO-2002-22. San Jose, CA: Mineta Transportation Institute. 145 pages.

[http://transweb.sjsu.edu/MTIportal/research/publications/documents/transitridership2/TransitRidership\\_7\\_16.htm](http://transweb.sjsu.edu/MTIportal/research/publications/documents/transitridership2/TransitRidership_7_16.htm)

Combination of nation-wide transit data, interviews with transit managers, and case studies; includes annotated bibliography of studies cited.

[2] Hodge, D.C., Orrell III, J.D., & Strauss, T.R. 1994. **Fare-free Policy: Costs, Impacts on Transit Service and Attainment of Transit System Goals.** Report Number WA-RD 277.1. Washington State Department of Transportation.

<http://www.wsdot.wa.gov/Research/Reports/200/>

Often cited in other studies; there are few studies of fareless service.

[3] Krizek, Kevin J. and Ahmed El-Geneidy (2007). **Segmenting Preferences and Habits of Transit Users and Non-users.** *Journal of Public Transportation*. 10(3): p. 71-94.

<http://www.nctr.usf.edu/jpt/pdf/JPT%2010-3%20Krizek.pdf>

### **Regional transit plan (not cited in this summary)**

Corvallis Area Metropolitan Transportation Plan: Destination 2030

[http://portal.ocwtech.net/campo/Shared%20Documents/MPO%20Regional%20Transportation%20Plan%20\(RTP\)/Final%20document.pdf](http://portal.ocwtech.net/campo/Shared%20Documents/MPO%20Regional%20Transportation%20Plan%20(RTP)/Final%20document.pdf)

<http://www.freepublictransports.com>

-Lists zero-fare programs around the world

Questions Posed in Comments Received on the SIF

*Question*

*Information provided by staff in response, if available*

Attachment IV

**From City Councilors During ASC or Council Meetings**

Is each new SIF proposed fee dedicated to the proposed uses, or will they go into the general funds?	The revenues generated by the fee would be dedicated to the proposed uses.
How do other cities impose sidewalk fees for residents who don't have sidewalks? Can residents without sidewalks petition to be removed from the sidewalk fees?	Other cities do not have a separate fee for sidewalk repair or construction. Rather they have a general transportation utility or transportation maintenance fee that can be used for sidewalks. Therefore, all properties are charged the fee whether there is an abutting sidewalk or not.
Are there ways for those living under the poverty level to petition out of having to pay the fees?	The City has a low-income assistance program that provides funds to the United Way for this purpose.
What is the legality of the proposed SIFs?	As proposed, the fees are not <i>ad valorem</i> property taxes, and therefore not in conflict with Measure 5 or Measure 50.

**From the Public During ASC or Council Meetings**

Has a survey been completed or planned to determine what free ridership would do over a short period of time?	No survey has been conducted.
What is the goal for the percentage of people who would use the bus instead of a car?	The Downtown Parking Plan has a goal to increase the percent of trips made by transit from 4% (in 2002) to 16%; and to reduce the percent of trips made by automobile from 72% (in 2002) to 51%.

**From the Presentations Made to Boards and Commissions**

What would the City's liability be regarding sidewalks under the change?	The City's liability would need to be addressed as part of the overall fee parameter development, with the resulting direction captured in the ordinance language.
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**From the Public Through the Online Survey**

Is there a model of free transit in another city?	Staff is aware of free transit systems in Sandy, Oregon and Oak Harbor, Washington. In addition, Ashland, Oregon had free transit for about five years, but returned to a fare system. Staff contacted these communities and notes from those conversations are included as Appendix A
How will OSU students be assessed for their 9 month use of city services?	City staff is meeting with OSU representatives to discuss how transit support can be maintained at the current levels.
If the city bus system IS suddenly utilized a great deal more, will that not mean a necessary expansion (and cost extension) of the program?	Staff has attempted to determine the available capacity on the system and concluded that overall, the current system is operating, on average, at 70%. During certain times of the day, some routes are at a higher capacity. A full listing of capacity by route and hour is included as Appendix B.
Is this going to be voted on?	
How about homeowners who just paid for their sidewalks? Is a homeowner allowed to plant trees with the city taking care of them?	Homeowners who recently paid for their sidewalks would be assessed the same fee as other residential properties.

**From the Public Through the SIF Email Account**

Can you give me the projected cost in 5 and then 10 years for a single family property for each service or program proposed per month?	The future charges depend on how the fees are structured (i.e., what the original charge is, if there is an escalator, if there is a sunset date).
Is there a way to exempt some older people with limited income from these proposed taxes?	The City has a low-income assistance program that provides funds to the United Way for this purpose.
How much more sustainable is Corvallis going to be if the city maintains sidewalks than if residents do? How do you measure that?	If the city maintained the sidewalks, the benefit would be that the repairs would be done quicker, and with less administrative cost.
Is there any research available on Corvallis residents using the sidewalks?	No.
How much of these costs will be charged to OSU?	OSU will be charged the transit and alternative modes fees.

Where in the US is free bus service found?	Sandy, Oregon and Oak Harbor, Washington. Lane County, Oregon did a study in January 2008 on fare-free service and came to the conclusion that the main barrier was a lack of replacement funding for the revenue taken in through the fare box. Their report is included as Appendix C.
What exactly does “energy reduction and renewables” mean?	
Will these new fees be charged an administrative service charge? Why or why not?	No. The administrative overhead will be minimal because the mechanism that will be used to collect the fee, the City Services Bill, is already in place.
Can you really run a sidewalk replacement program with \$150,000 per year? Can you really run a tree trimming program for \$90,000 per year?	Over the last four years, the annual expenditure for the private property sidewalk repair has averaged \$150,000. More than 75% of Corvallis' forest is 12" in diameter or less. The goal of the Preventative Pruning Program is to train young trees to become the type of urban canopy tree most likely to provide desirable ecosystem services at a time in the tree's life cycle when it is most cost-effective to do so. This program is built on measurable criteria, but is also realistically flexible should funding fluctuate.
Are all the measures a ‘unit’ or can they be ‘a la carte’?	They are meant to be considered separately.
What happens with the funding that you are currently obtaining from OSU and HP and any others that buy passes for their employees?	In general, the property owners will pay the transit fee based on the number of trips their property type generates. In the case of OSU, staff has met with them to discuss how the current level of transit support could be maintained.
What are the percentage of Corvallis residents who use the bike as their only form of transportation?	This statistic is unknown, but what is known is the number of residents who self-describe as using bikes to commute to work. In the 2009 Citizen Attitude Survey, respondents report that they commute to work by bike 13% of the time.
Can the City government raise taxes without the vote of all property owners affected?	Yes.
Has the City determined ridership will increase significantly by making transit free?	There is no way to know exactly what the affect on ridership will be from a free system. The desired outcome would be to increase ridership.
How does providing low interest loans and grants to support new energy businesses benefit property owners?	

Are there statistics demonstrating that sidewalk condition deters would-be pedestrians?	Only anecdotal evidence.
What about streets that have no sidewalks--will those people be exempt from the fee?	No. The premise for the fee is to provide a well-maintained, safe sidewalk system to service all properties, not just residential ones. Therefore, the person living on a street without sidewalks still benefits from the sidewalks serving stores, medical facilities, churches and schools. Less than 6% of the city streets do not have sidewalks.
Sustainability arguments are supported for the tree initiative, but can there be goals set so that performance can be measured?	Staff has developed a "Preventative Pruning Program" along with "Removal and Replacement Criteria". Both are designed to produce tree canopy conditions which can maximize the ecosystem services provided by a healthy Urban Forest. Program performance is measurable, for example, by the number of trees pruned, amount of time spent pruning, and basal area of species types pruned. The Urban Forest Management Plan, adopted by City Council in 2009, identifies 5-year program priorities, including Tree Maintenance & Care and systematic pruning of young street trees, which SIF funding would specifically assist with.
Why not a bicycle registration or license fee to pay for these projects?	
<b>From the Public Through Letters or Other Correspondence</b>	
Who determines which private energy businesses will benefit from the money raised with the new fee?	
<b>From the Public Through the Mayor/Councilor Email Accounts</b>	
How will the City handle a year when there are lots of sidewalks to repair? Is the City going to lower the 'breakage and crack' standards to avoid overspending when the sidewalk funds are all used up?	The sidewalk repair/replacement program would be same as it is today. The city is divided into eleven districts and each year staff checks the sidewalks in one of those districts, looking for damaged or offset sidewalk panels. The number of problems found in a district varies from year to year, resulting in some years requiring more than \$150,000 worth of work and some years less.
Is the funding for these initiatives a fee or a tax and if it's a tax, can the City raise taxes without a vote of property owners affected?	The new charges would be structured as fees and could be implemented without a vote.

## Fareless Transit System Experiences

Staff contacted two agencies that currently operate a fareless transit system and one that had a fareless system for a while and returned to charging for rides. A summary of those conversations is captured below.

### City of Sandy, Oregon

The City of Sandy, Oregon currently operates a fareless express commuter service. Sandy was part of the TriMet transit service and operated a commuter route five times per day until 2000, when it became independent from TriMet. Immediately, Sandy implemented hourly service and ridership ballooned, according to Transit Manager Julie Stephens.

While Sandy operates mostly as a commuter service, it also has two miles of fixed-route service within the city. Ms. Stephens says that ridership has fluctuated in years past in conjunction with the rise and fall of fuel prices, but that a significant number of core riders have continued to ride.

When asked about problems stemming from a fareless system, Ms. Stephens cited inappropriate behavior and language of passengers, a large percentage of whom were identified as youths. Most of the conflicts were resolved by drivers who are empowered to exclude rule-breakers. Another issue was that passengers were more inclined to ride the buses for a short time, sometimes only for one or two stops, impacting on-time performance.

### Island Transit - Oak Harbor, Washington

Island Transit, fareless since its inception in 1987, last year provided 1.4 million rides to a population of 73,000, plus visitors. Executive Director Martha Rose says that a study of the Island Transit system done by the Federal Transit Administration showed that the administrative cost to charge fares would be more than the dollars collected from fares.

Island Transit operates a commuter and fixed route system that is funded by a sales tax. Ms. Rose said the community is strongly behind the fareless system, and citizens regularly vote 70% in favor of continuing the sales tax support of the system. Staff also advocates fareless systems for cities big and small.

When asked about problems stemming from a fareless system, Ms. Rose stated the same concerns noted for the Sandy system - youth acting inappropriately and multiple stop requests. Ms. Rose said her drivers are extremely proactive in dismissing riders who do not follow the rules and that drivers are strongly encouraged to interact with riders in the hopes of fostering a good relationship between riders and drivers.

### City of Ashland, Oregon

In 2001, the City of Ashland Transit, operated by Rogue Valley Transit District (RVTD), instituted a fareless transit system for its fixed route service within Ashland. The advent of a fareless system coupled with an increase in route frequency resulted in ridership increases of 49% within six months.

Southern Oregon University, which had a group-pass program, elected to eliminate its group pass membership in 2005. This event, along with rising complementary ADA paratransit costs, contributed to a determination by the RVTD that the fareless system had become too costly to operate. RVTD approached the City of Ashland with this information and it was decided to re-institute a fare for Ashland's fixed route service. Ridership dropped by over 50% when the fare was re-instituted.

When asked about problems stemming from a fareless system, RVTD Senior Planner Paige Townsend cited an increase in the number of riders who were riding without destinations and an increased frequency of stops, which had a negative effect on on-time performance.

CTS Hourly Ridership for FY 2009/2010				
Recommended Bus Capacity				
Low Floors	32 seated/9 standing - Total = 41			
<b>Route 1</b>	<b>Total Rides</b>	<b>Rides per</b>	<b>% Capacity</b>	
<b>Monday thru Friday</b>	<b>per Year</b>	<b>Hour</b>		
7:00 AM	7,576	29.59	72%	
8:00 AM	9,130	35.66	87%	
9:00 AM	7,798	30.46	74%	
10:00 AM	5,465	21.35	52%	
11:00 AM	6,635	25.92	63%	
12 NOON	6,189	24.18	59%	
1:00PM	6,603	25.79	63%	
2:00 PM	7,107	27.76	68%	
3:00 PM	7,172	28.02	68%	
4:10 PM	8,059	31.48	77%	
5:10 PM	9,271	36.21	88%	
6:10 PM	4,546	17.76	43%	
7:10 PM	1,946	7.60	19%	
<b>12.5 Hrs-Total</b>	<b>87,497</b>			
<b>Route 2</b>	<b>Total Rides</b>	<b>Rides per</b>	<b>% Capacity</b>	
<b>Monday thru Friday</b>	<b>per Year</b>	<b>Hour</b>		
7:15 AM	2,526	19.73	48%	
8:15 AM	3,311	25.87	63%	
9:15 AM	3,118	24.36	59%	
10:15 AM	3,527	27.55	67%	
11:15 AM	4,204	32.84	80%	
12:15 PM	5,033	39.32	96%	
1:15 PM	5,294	41.36	101%	
2:15 PM	5,660	44.22	108%	
3:15 PM	5,484	42.84	104%	
4:15 PM	5,414	42.30	103%	
5:15 PM	4,561	35.63	87%	
6:15 PM	3,017	23.57	57%	
<b>6 Hrs -Total</b>	<b>51,149</b>			
<b>Route 3</b>	<b>Total Rides</b>	<b>Rides per</b>	<b>% Capacity</b>	
<b>Monday thru Friday</b>	<b>per Year</b>	<b>Hour</b>		
6:55 AM	3,334	.3 hrs		
7:45 AM	3,389	26.48	65%	
8:45 AM	2,977	23.26	57%	
9:45 AM	2,577	20.13	49%	
10:45 AM	2,348	18.34	45%	
11:45 AM	2,749	21.48	52%	
12:45 AM	2,621	20.48	50%	
1:45 PM	2,735	21.37	52%	
2:45 PM	2,898	22.64	55%	
3:45 PM	3,237	25.29	62%	
4:45 PM	3,464	27.06	66%	
5:45 PM	2,796	21.84	53%	
6:45 PM	3,526	27.55	67%	

<b>6.3 Hrs -Total</b>	<b>38,651</b>			
<b>Route 4 Monday thru Friday</b>	<b>Total Rides per Year</b>	<b>Rides per Hour</b>	<b>% Capacity</b>	
6:15 AM	1,107	8.65	21%	
6:45 AM	1,978	15.45	38%	
7:45 AM	3,321	25.95	63%	
8:45 AM	3,182	24.86	61%	
9:45 AM	2,750	21.48	52%	
10:45 AM	2,925	22.85	56%	
11:45 AM	2,998	23.42	57%	
12:45 AM	4,224	33.00	80%	
1:45 PM	3,645	28.48	69%	
2:45 PM	4,287	33.49	82%	
3:45 PM	5,661	44.23	108%	
4:45 PM	4,350	33.98	83%	
5:45 PM	2,956	23.09	56%	
6:45 PM	1,587	12.40	30%	
<b>7 Hrs - Total</b>	<b>44,971</b>			
<b>Route 5 Monday thru Friday</b>	<b>Total Rides per Year</b>	<b>Rides per Hour</b>	<b>% Capacity</b>	
6:25 AM	1,044	*		
6:45 AM	1,683	13.15	32%	
7:15 AM	6,158	48.11	117%	
7:45 AM	4,595	35.90	88%	
8:15 AM	5,567	43.49	106%	
8:45 PM	5,113	39.95	97%	
9:15 AM	7,458	58.27	142%	
9:45 AM	5,174	40.42	99%	
10:15 AM	5,184	40.50	99%	
10:45 AM	5,025	39.26	96%	
11:15 AM	6,427	50.21	122%	
11:45 AM	5,898	46.08	112%	
12:15 PM	5,920	46.25	113%	
12:45 PM	5,468	42.72	104%	
1:15 PM	6,359	49.68	121%	
1:45 PM	6,344	49.56	121%	
2:15 PM	7,584	59.25	145%	
2:45 PM	5,723	44.71	109%	
3:15 PM	7,071	55.24	135%	
3:45 PM	6,535	51.05	125%	
4:15 PM	6,738	52.64	128%	
4:45 PM	7,107	55.52	135%	
5:15 PM	8,052	62.91	153%	
5:45 PM	5,990	46.80	114%	
6:15 PM	4,795	37.46	91%	
6:45 PM	3,518	27.48	67%	
7:15 PM	1,347 *	16.94 *	41%	
7:45 PM	2,711	21.18	52%	
8:45 PM	1,924	15.03	37%	
<b>Total</b>	<b>152,512</b>			

<b>Route 6 Monday thru Friday</b>	<b>Total Rides per Year</b>	<b>Rides per Hour</b>	<b>% Capacity</b>
6:15 AM	1,691	13.21	32%
6:45 AM	2,252	17.59	43%
7:15 AM	6,248	48.81	119%
7:45 AM	5,512	43.06	105%
8:15 AM	5,157	40.29	98%
8:45 PM	3,494	27.30	67%
9:15 AM	4,726	36.92	90%
9:45 AM	2,974	23.23	57%
10:15 AM	3,758	29.36	72%
10:45 AM	3,091	24.15	59%
11:15 AM	4,686	36.61	89%
11:45 AM	3,886	30.36	74%
12:15 PM	5,039	39.37	96%
12:45 PM	4,107	32.09	78%
1:15 PM	5,168	40.38	98%
1:45 PM	6,104	47.69	116%
2:15 PM	5,252	41.03	100%
2:45 PM	5,477	42.79	104%
3:15 PM	5,598	43.73	107%
3:45 PM	5,162	40.33	98%
4:15 PM	5,516	43.09	105%
4:45 PM	5,869	45.85	112%
5:15 PM	5,852	45.72	112%
5:45 PM	4,270	33.36	81%
6:15 PM	3,877	30.29	74%
6:45 PM	2,292	17.91	44%
7:15 PM	2,081	16.26	40%
8:15 PM	1,837	14.35	35%
<b>Total</b>	<b>120,976</b>		

<b>Route 7 Monday thru Friday</b>	<b>Total Rides per Year</b>	<b>Rides per Hour</b>	<b>% Capacity</b>
6:30 AM	2,808	10.97	27%
7:30 AM	4,567	17.84	44%
8:30 AM	4,491	17.54	43%
9:30 AM	5,303	20.71	51%
10:30 AM	4,798	18.74	46%
11:30 AM	5,409	21.13	52%
12:30 PM	6,271	24.50	60%
1:30 PM	6,242	24.38	59%
2:30 PM	7,094	27.71	68%
3:30 PM	8,529	33.32	81%
4:30 PM	7,414	28.96	71%
5:30 PM	6,212	24.27	59%
6:30 PM	3,584	14.00	34%
7:30 PM	2,374	9.27	23%
<b>14 Hrs - Total</b>	<b>75,096</b>		

<b>Route 8 Monday thru Friday</b>	<b>Total Rides per Year</b>	<b>Rides per Hour</b>	<b>% Capacity</b>
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## **Fare-Free Service at Lane Transit District: An Overview of Financial and Operational Impacts**

**Prepared by  
Andy Vobora, Director of Service Planning, Accessibility, and Marketing  
Lane Transit District  
January 2008**

### **Issue**

Lane Transit District's success in achieving increased ridership through group transit pass programs has created an interest by some public officials and community members in providing a system-wide, fare-free policy. Increasing ridership is not the only motivation for creating a fare-free system. Other motivations may include decreasing traffic congestion and reducing the community's carbon footprint; recognizing that farebox revenue is sometimes relatively minimal and not worth the effort to collect; a desire to fill "empty buses"; a strategy to introduce young riders to public transit in an effort to cultivate future riders; encouraging development or redevelopment of a particular area; and attaining other public policy goals.

All operational policy changes have impacts, and many factors influence whether a fare-free system would be a negative or positive experience; therefore, it is important for decision makers to be aware of these possible effects. The financial and operational factors will have the most immediate impacts. Much research exists that examines various factors, such as the size of the community and transit system, the degree of commitment to a fare-free service by the community and transit system personnel, and the age and establishment of the transit service. This overview does not attempt to address these factors; however, the References section at the end of this document provides resources for those who may be interested in learning more about these factors.

### **Objectives**

Through an internal analysis of key factors, the following information reviews the immediate impacts of fare-free service in an effort to answer these fundamental questions:

- How much would it cost to implement a fare-free policy at Lane Transit District?
- How would a fare-free policy impact existing transit services?

An appendix is included to provide a glimpse into the broader issues of fare-free systems, based on a brief amount of secondary research.

#### **1. How much would it cost to implement a fare-free policy at Lane Transit District?**

The most immediate financial impact would be the loss of fare revenue. Fare revenue is comprised of cash in the farebox, prepaid fare sales, and group pass contract payments. Some community members may be confused by group pass marketing messages that encourage potential riders to use their "free" bus pass. What some may not understand is that the pass may be free to the potential rider, but the cost of the pass has been paid for by the employer or other contracting body. The

combination of farebox cash, prepaid token and pass sales, and revenues from group pass contracts currently totals more than \$5 million annually.

While the institution of a fare-free system would result in a loss of fare revenue, there would be some savings since the cost of fare collection would be eliminated. Fare collection costs include coin room equipment and maintenance, printing and distribution of fare instruments, farebox equipment and maintenance, and labor costs.

These costs can be quite high for districts that employ more advanced fare collection technologies or that have honor systems that require fare enforcement personnel. For small districts, the cost of fare collection can be an incentive to stay or become fare-free. As a percentage of total revenue collected, fare collection costs become greater for small systems; therefore, the institution of a fare-free system may be feasible.

If LTD discontinued fare collection, the annual savings would not be as great as they would be at like-sized or larger districts because LTD employs a very simple fare collection system that uses very basic farebox technology. Costs also are lower because of LTD's success in transitioning customers to prepaid fare instruments, which includes monthly passes and group passes. Cash fare customers represent between 20 and 30 percent of total ridership, which is approximately one-half of the percentage of cash fare customers in other districts. The less cash that is handled, the lower the fare collection costs. LTD empties fareboxes only three days per week, as compared with large districts that empty fareboxes every day and have entire groups of employees who process cash from the farebox.

LTD estimates that an annual savings of \$100,000 to \$500,000 may result by offering a fare-free system. (This range exists because the savings depends upon assumptions made about the need for advertising, the level of staffing of certain functions, and the fact that many employee responsibilities include multiple tasks.) The difficulty in realizing greater savings is that much of the work represents a portion of what an employee does, and no one position is completely dedicated to work associated with fare collection. For example, a customer service representative sells fare instruments, but also conducts trip planning over the telephone and for walk-in customers. If the sales function were eliminated, it may be possible that a position would be cut; however, it also is possible that the same number of positions would be necessary to cover the operation during the span of hours and days the Customer Service Center is open to the public. The same is true for a general service worker who currently removes the fareboxes and empties the money into a vault. These employees fuel the buses, take the buses through the bus wash, and do other light maintenance work. Eliminating the collection of cash fares, which requires emptying the fareboxes three nights per week, is not likely to result in enough time savings to reduce staffing. This also is true for staffing in the coin room, where cash is counted and prepared for delivery to the bank.

The net cost of creating a fare-free system would be approximately \$4.5 million to \$5 million annually.

## **2. How would a fare-free policy impact existing transit services?**

Facing a net loss in revenue of nearly \$5 million annually, the District would be faced with cutting costs to balance the operating budget or replacing these funds through additional subsidies.

A \$5 million loss in revenue would likely result in budget cuts across the District. The majority of costs are associated with the delivery of bus service, which includes bus operators, maintenance staff, and customer service staff. If we assume that \$1 million could be found in administrative cost reductions, the remaining \$4 million would be eliminated from operations; \$4 million equates to 20 percent of bus service hours currently operating.

A 20 percent reduction of service hours would require a restructuring of how service is delivered, and it is likely that neighborhood coverage would be significantly reduced. If fare revenues were replaced through a new subsidy, then service could continue in the current configuration. With the current system configuration and free fares, it is not difficult to predict that ridership demand would increase, as current customers paying cash would ride more frequently, and a percentage of the population of potential riders would begin using the system. Considering that LTD ridership is setting records and experiencing overloads during peak travel periods, it seems that increasing demand by offering free fares would only exacerbate current operational challenges. With no identified capital funds for fleet expansion and no additional operational funds to run service to meet increased demand, riders would become frustrated as more overcrowding and overloads occurred. The system would experience increased travel time, causing greater difficulty for bus operators trying to meet scheduled arrivals and departures, and resulting in customers missing transfer connections.

Creating a fare-free system also will have a direct impact on paratransit (*RideSource*) services offered by LTD. The Americans with Disabilities Act (ADA) mandates that complementary paratransit services be provided to the elderly and people with disabilities or conditions that prevent them from using fixed-route public transportation. This curb-to-curb service is partially funded through a state cigarette tax. However, these state resources have been flat or declining for many years and do not provide adequate funding to address the increasing need for the service. LTD is required to provide these services, which has resulted in a transfer of nearly \$2 million in LTD general funds to cover this service in the current fiscal year. Fares on paratransit service are prescribed in the ADA and may be set at a maximum of two times the fixed-route cash fare. While the current \$2.50 one-way fare may seem high, it should be noted that the cost per ride for a one-way *RideSource* trip is approximately \$23.50. The law also requires districts to maintain a non-denial policy, which means that LTD must meet demand.

In fiscal year 2008, LTD will provide an estimated 51 percent more *RideSource* trips under ADA than in 2005. This represents a significant growth rate for each of the last three years.

On the fixed-route system, a policy of leaving customers behind is considered acceptable if the wait time for the next departure is reasonable. LTD's service policy defines a wait time of 30 minutes to be reasonable. This is not an option for paratransit services that offer curb-to-curb service for individuals. Costs for paratransit service have grown by double-digits in recent years due to the aging population, longer trips, and increasing dwell (waiting) time. Giving up the small amount of farebox revenue (\$140,000 annually) is not as significant an issue as the increased demand for service would be. One additional paratransit customer riding three times per week generates an added cost of over \$7,000 annually. The operating cost for 100 additional riders with similar riding characteristics would add \$700,000 annually.

Transit districts are finding it difficult to manage paratransit service cost growth due to lengthening trip times and the influx of new riders. Therefore, the ability to charge a fare is one small factor that gives districts some ability to manage the growing demand. If LTD provided a fare-free, fixed-route system, it would be required to provide a fare-free paratransit system, as well.

The immediate impact of a free paratransit service is the loss of \$140,000 in fare revenue, but, as explained, even a small number of new frequent riders could have a significant impact. These significant paratransit costs were not factored into the \$5 million gap described earlier; however, it is obvious that they would need to be addressed as part of any fare-free system implementation.

### **Conclusions**

Lane Transit District currently cannot absorb or replace a loss in fare revenue, or respond to any significant increase in demand. With a low cost for fare collection and considering that current operations would be severely impacted, LTD staff do not recommend the implementation of a fare-free system. Should subsidies become available to maintain and expand bus service hours, and to provide the necessary personnel to maintain system security, the implementation of a fare-free system should be re-examined.

While there appear to be a number of attractive aspects to a fare-free system, they are most attainable for newly developing systems or smaller systems, where the cost of fare collection outweighs fare recovery potential, and where available subsidies fully cover the costs of operation. Current overcrowding during peak travel periods and routes struggling to meet transfer connections make recommending a fare-free system inappropriate at this time. While every transit provider would like to carry more customers, an increase in ridership, coupled with a reduction in operating revenues, would severely hamper LTD's ability to provide effective bus service throughout the community.

Lane Transit District provides a high level of service hours per capita. This service is well-used, as evidenced by overall ridership of more than 10 million annual boardings and by system-wide productivity that approaches systems 5 to 10 times its size.

It should be noted that LTD's Group Pass programs provide "free" bus access to more than 70,000 area residents, children under six years of age ride for free, and LTD's Honored Rider program provides free bus access to anyone age 70 and over. In a sense, an individual who is provided a bus pass by his or her employer or through his or her school is being given a "free" ride. It is estimated that this large number of "free" riders represents nearly 50 percent of the traveling public within LTD's metro area. In 2008, the LTD Board of Directors will consider a proposal to lower the age for Honored Rider status to age 65 and over, thereby increasing the number of free riders.

## Appendix

### Are additional subsidies available?

One of the commonalities of fare-free systems is the availability of subsidies to cover all operational costs. For medium and large transit systems, this appears to be out of reach. The federal government supports transportation capitalization and sees operations as a local decision. This has led to the elimination of nearly all federal operational support; therefore, if LTD were to pursue a fare-free system, it would look to local and state resources for additional funding. With local units of government trying to meet increasing budget needs, it seems unlikely there would be any current funding sources available to cover the loss of \$5 million in transit revenues.

At the state level, the 2003 legislature increased the payroll tax cap from \$6 per thousand of gross payroll to \$7 per thousand of gross payroll (.006 to .007) in an effort to provide TriMet and LTD with the ability to meet growing needs.

However, even with the increased tax rate, the growth in these resources is not keeping pace with growing costs for fuel and personnel services, let alone allowing TriMet and LTD to meet growing demand for new service. Because the increase from .006 to .007 is phased over a 10-year period, the payroll tax cap will not be reached until 2014, making it unlikely that the legislature would make further changes anytime soon.

The 2009 legislative session may offer opportunities to increase funding for transportation services for the elderly and disabled. This would give LTD some opportunity to replace general fund transfers of resources to the rapidly growing paratransit (RideSource) program, but these funds would not begin to close a new \$5 million gap created by moving to a fare-free system.

### Does a fare-free system result in unintended consequences?

A number of negative impacts have been noted by larger systems that have implemented fare-free systems. These include:

- An increase in disorderly behavior by riders
- The use of the buses as a shelter by people who are homeless
- Driver morale issues as schedule adherence becomes more difficult and overcrowding creates tension
- An increase in maintenance costs associated with more vandalism
- A decrease in choice riders who react negatively to overcrowding

Research indicates that aggressive zero-tolerance policies aid in maintaining a positive environment on buses and trains. LTD has been successful using its Ordinance 36 to manage disruptive behavior, but even with a zero-tolerance policy and strict enforcement, there have been and will continue to be complaints related to these poor behaviors. As seen recently in Portland, Oregon, the ability to provide adequate security and manage negative behaviors is becoming a bigger challenge for large systems. For TriMet these challenges are leading to serious discussions about elimination of their long-standing "fareless square," and an evaluation of ways to enclose MAX train platforms that would eliminate the honor system of fare payment currently in use. Some in Portland have

suggested that the fareless square and honor payment system on MAX are not the issue; however, law enforcement personnel disagree and the dialogue continues.

Research does indicate that the few smaller systems currently offering a fare-free system have not seen these same negative impacts. In some cases, this may be a reflection of ridership levels that afford adequate space for customers. In a discussion with staff from Island Transit in Coupeville, Washington, the comment was made that there are few, if any, homeless people in their area, and that the community culture values transit service. The staff member did state that there had been some vandalism issues that were frustrating staff. Aggressive security policies also have aided the smaller systems in handling negative behavior.

On the positive side, a fare-free system does:

- Speed the boarding process
- Increase ridership
- Reduce administrative overhead costs

A number of districts continue to offer fare-free systems. These systems appear to be similar in that they receive subsidies covering the full cost of operations and that they operate in smaller urban or rural areas. The following information provides a brief overview of these systems.

1. Coupeville, Washington – Island Transit is a small rural provider offering service on Whidbey Island and Camano Island in northern Washington. A sales tax of six-tenths of one percent generates enough revenue to meet service demands. The system carries 1.1 million annual boardings and has an annual operating budget of \$9.2 million.
2. Hasselt, Belgium – A city of about 70,000 people, Hasselt is approximately an hour away from Brussels and is Belgium's fourth largest city. Hasselt draws riders from the approximately 300,000 people in the surrounding area. Funding for free transit comes from an allocation of 1 percent of municipal taxes. This system operates 11 bus routes.
3. Wilsonville, Oregon – South Metro Area Regional Transit (SMART) was formed in 1988 when the City of Wilsonville withdrew from the TriMet service area. SMART is funded by a payroll tax of three-tenths of one percent. SMART offers free service within the City of Wilsonville, but charges for commuter services that connect to Portland, Canby, and Salem. The fare charged for commuter service began in Fall 2006 in response to pressure from the business community, who felt it was unfair that riders did not pay for a share of the cost to provide bus service. Ridership initially dropped 17 percent following the institution of fare payment, but currently is down approximately 7 to 10 percent. The current operating budget is \$2.5 million, and there are 286,000 annual boardings.
4. Logan, Utah – Cache Valley Transit District (CVTD) is a small urban and rural provider in northern Utah. CVTD is funded by a 0.25 percent sales tax and has an operating budget of \$3.6 million and annual ridership of 1.7 million boardings.

**Is charging a fare a barrier to ridership growth?**

Charging a fare is a barrier for some low-income individuals, but research indicates that other factors are more commonly cited as barriers by potential riders and by a majority of current riders. While a number of large transit districts have conducted testing of fare-free systems, the last large system test took place at Capital Metro in Austin, Texas, and ended in 1990. Following the conclusion of the fare-free demonstration at Capital Metro, a survey of riders and the general public found that the five most important factors in determining whether to ride the bus were:

- On-board safety
- On-time performance
- Convenience of routes
- Cleanliness inside the buses
- Frequency of service

The three least important factors were:

- Cost of service
- Outside appearance of the bus
- Courtesy of bus operators

Consistent with the Capital Metro survey results, data gathered from LTD Group Pass participants found that a free ride is not the most important factor for potential riders who are considering riding public transportation. If the free ride were the key factor, mode split within LTD's Group Pass companies would be much higher. Operating characteristics, such as travel time, frequency of service, convenience, and comfort, are often more important for potential riders who have another mode choice available for their trip.

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## Alternative Modes Sustainability Initiative Fee

With \$150,000 per year the community could have:

- Bike Parking/Storage Retro-Grant Program - \$30,000
- Pedestrian and Bicycle Facilities - \$20,000
- Pedestrian Crossings - \$50,000
- Bike Boulevards - \$50,000

Below is a brief summary of what these projects might include. Note that estimates are *very* preliminary!

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### ▪ Bike Parking Facilities

Funds would pay for more City bike parking/storage and a grant for future and existing businesses to provide more bike parking/storage facilities.

Description of Work	Anticipated Costs
City Bike Parking/Storage	\$10,000
Business and Multi-Family Bike Parking Retro Grant Program	\$20,000
Total	\$30,000 per year

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### ▪ Pedestrian and Bicycle Facilities

\$20,000 for various projects:

1. South Corvallis Multi-use Path
2. Sidewalk In-fill
3. Additional Separated Multi-use Paths

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### ▪ Pedestrian Crossings

Additional pedestrian facilities are needed throughout Corvallis to make walking safe. The community has identified a number of pedestrian crossings that could be implemented with SIF funds.

Two per year @ \$50,000 per year

- 9<sup>th</sup> Street Improvement Plan – 4 crossings
- Walnut Boulevard – crossings at 13<sup>th</sup> and Jack London and others (CIP indicates \$100,000)
- 9<sup>th</sup> Street and Polk Avenue

▪ **Bike Boulevards**

With \$50,000 per year over a six-year timeframe Corvallis could construct bike boulevards. These facilities will provide a safe and inviting means for children to bicycle to school. Safer routes for children mean safer routes for everyone.

Examples:

<b>11<sup>th</sup> St.</b>	Description of Work		
	▪ Signs	50 @ \$300	\$15,000
	▪ Chicanes	20 @ \$3,000	60,000
	▪ Crossing Signals At Buchanan, Harrison, Van Buren, Monroe & Western	5 @ \$30,000	150,000
	▪ Process		5,000
<b>Total</b>			<b>\$230,000</b>

Phase I – Cleveland to Buchanan for \$60,000

Phase II – Buchanan to Monroe for \$110,000

Phase III – Monroe to “E” St. for \$60,000

<b>Tyler St.</b>	Description of Work		
	▪ Signs	30 @ \$300	9,000
	▪ Chicanes	10 @ \$3,000	30,000
	▪ Crossing Signals At 5 <sup>th</sup> , 9 <sup>th</sup> , Kings, & 29 <sup>th</sup>	4 @ \$30,000	120,000
	▪ Process		5,000
<b>Total</b>			<b>164,000</b>

Phase I – Riverfront to 9<sup>th</sup>

Phase II – 9<sup>th</sup> to Kings

Phase III – Kings to 36<sup>th</sup>

<b>27<sup>th</sup> St.</b>	Description of Work		
	▪ Signs	25 @ \$300	7,500
	▪ Chicanes	8 @ \$3,000	24,000
	▪ Crossing Signals	2 @ \$30,000	60,000
	▪ Process		5,000
<b>Total</b>			<b>96,500</b>

Phase I – Circle to Grant

Phase II – Grant to Monroe

**Funding References in the Minutes  
of the Energy Strategy *Ad-hoc* Task Force**

September 29<sup>th</sup> Minutes

During a discussion of potential funding sources for the actions contained in the Strategy, a Task Force member stated that "...there need to be creative ways to fund these things; a gas tax seeks to incentivize people to drive less, but in doing so, funding also goes down. Funding needs to be stable or increase over time."

October 20<sup>th</sup> Minutes

During a discussion about encouraging bicycle use, a Task Force member said "...the City should establish a program to create disincentives for using personal automobiles." He further stated "...the community should have a tax on high-consumption automobiles."

During a discussion about transit, a Task Force member indicated that "Strategies could include ways to reduce costs to give people incentives to use public transit, establishing a fareless public transit program, increasing transit route frequencies and service hours." He further stated "...that funding resources will be sought to support the strategies."

A visitor "...noted that the documents must include potential funding sources to pay for the strategy."

December 1<sup>st</sup> Minutes

During a discussion about the public purpose charge paid by utilities, a Task Force Member said "...13 percent of the electricity meters in Corvallis are in the Blue Sky Program. He believes participation in the Program would increase with re-investment in the community for incentives and actions identified under the energy strategy." He went on to say "...the City can have its own Blue Sky-type program. He reviewed the details with the State's Public Utility Commission Chair. His intern last year also researched adding a renewable energy surcharge on City utility bills. Utility customers would 'opt in' or 'opt out' of the program, which would generate funds to support various approved sustainability and energy strategy projects and programs." It was clarified that "...a City-operated Blue Sky-type program would not be intended to provide grant funding. It might be better to have Corvallis residents invest in the City's sustainability programs than to pay into the Blue Sky Program....capital is needed for sustainability projects."

### Explanation of Trip Generation Mechanism

To generate the target revenue amount, the effect is allocated 75% to residential properties and 25% to commercial properties. This allocation split was selected because of the particular mix of properties in Corvallis. With two large employers, this split more fairly distributes the costs across the whole community. The actual fee for each property is then calculated based on a trip generation methodology. How much use (or trip generation) is determined from a nationally recognized model developed by the Institute of Traffic Engineers. The model estimates the average number of vehicle trips generated by a property based on how that property is used and its size. For instance, a single-family residence generates an average of 9.6 trips a day. These trips could include going to and from work or appointments, and from the various services delivered to the property (like garbage collection or mail). Commercial businesses, generating larger volumes of traffic, would be charged more than a single-family home. The charge for each individual business would be calculated based on the type of business and the square footage of the building. Some non-residential properties would be charged based on other factors, for example, schools are based on the number of students.

CITY OF CORVALLIS  
COUNCIL WORK SESSION MINUTES

April 13, 2009

The work session of the City Council of the City of Corvallis, Oregon, was called to order at 7:00 pm on April 13, 2009 in the Downtown Fire Station, 400 NW Harrison Boulevard, Corvallis, Oregon, with Mayor Tomlinson presiding.

PLEDGE OF ALLEGIANCE

I. ROLL CALL

PRESENT: Mayor Tomlinson, Councilors Hamby, O'Brien, Brown, Brauner, Raymond, Hervey, Daniels, Beilstein, Hirsch

II. UNFINISHED BUSINESS

Mayor Tomlinson said the agenda items are topics Council discussed during the goal setting process, but not added to the final goals. Staff is requesting direction on whether Council wants to pursue any of these items by investing Council, staff and/or advisory board time.

Councilors acknowledged that the items may not be completed during this Council term, but if agreed, staff can begin needed program/project activities.

Councilors briefly discussed continuing the Transportation Maintenance Fee (TMF) beyond the June 2011 sunset date and tying the funds to sidewalk improvements, transit, and bicycle promotion.



A. Sidewalk Safety Program

City Manager Nelson briefed Council on the history of this program. He noted that the staff report includes the Municipal Code and policies identifying the adjacent property owner as the responsible party for sidewalk improvements needed when impacted by trees. He said the tree canopy is enjoyed and protected by the community, but the financial burden belongs solely to the adjacent property owner.

The program has been discussed by the Urban Services Committee (USC), the Budget Commission, and Council. An alternative to the current program could be to use City funds to repair sidewalks and infrastructures.

City funding options include:

1. TMF
2. Natural Features utility (related to the Urban Forestry program)
3. Alternate modes utility
4. General Fund (property taxes)

Following comments and inquiries by Council, Public Works Director Rogers said it is assumed the estimated \$144,000 program will pay for all sidewalk repairs, not just those

impacted by street trees. Even though staff estimates 75 percent of the sidewalks needing repair are caused by street trees, an argument can be made in each case that the sidewalk may have failed, regardless. Enforcing responsibility, based on a measurement from the tree to the sidewalk damage, would be difficult. It is not feasible to determine who planted a specific tree. The City pays for curb repair and installation of infrastructure required by the Americans With Disabilities Act (ADA).

Councilor Hamby said he would only support using City funds for this program if the damage was caused by a street tree.

Councilor Hirsch opined that the property owner should be responsible for repairs if they plant a tree without permission. If the City plants a tree that causes infrastructure damage, the City should fund the repairs.

Councilor Brown opined that Council should not make any changes to the program since it has worked well for many years.

Councilor Daniels said the issues are efficiency and consistency of how the program is applied. The program does not work well in older neighborhoods that are greatly impacted by aging trees and sidewalks. She inquired about the amount of staff time the program requires to ensure compliance. She opined that the program could be more efficient if there was a fund to help defer costs.

Councilor Hervey said a tree enhances the value of the adjacent property for the first ten years only. He suggested the repair responsibility shift from the adjacent property owner to the City ten years after the tree is planted. He opined this would balance the fairness to the property owner and community.

Councilor Raymond noted that Skyline West does not have sidewalks and it would not be fair for those residents to pay for sidewalk repairs for everyone else. She opined that sidewalk repairs should be the responsibility of the adjacent property owner. If the home owner appeals the decision, the City can negotiate at that time or assist in locating a loan.

Councilor Brauner said citizens who do not have sidewalks in front of their homes, use other City sidewalks and streets. Sidewalk damage in his Ward is typically caused by shifting land and not trees. He opined that the City should pay for repairs in the public right-of-way (ROW). Program funding can be established through the TMF or utility fee combined with other items or identified separately.

Councilor Beilstein noted the following:

- Councilor Hervey's suggestion (responsibility dependent upon age of tree) is too complex.
- Obtaining resource information as suggested by Councilor Daniels is important to this issue.
- The fairness issue about not having sidewalks in a specific neighborhood is not reasonable when some neighborhoods do not have paved streets.
- The City has ownership and control of the ROW, but places the responsibility on the adjacent property owner. The City should pay for the infrastructure.

At Councilor Beilstein's request, Mr. Nelson explained that the Natural Features Inventory (NFI) identified selected areas as valuable and a benefit for the entire community. In some circumstances, the City has required the adjoining property owner or related Home Owner's Association (HOA) to be responsible for drainage associated with the natural area that is retained by the community through the development process. He opined this will become a bigger issue in the near future because the cost associated with making sure a natural feature does not cause a liability will be greater than what the adjacent property owner or HOA can manage.

Mr. Rogers said the City reviews approximately 1,000 properties within ten sidewalk districts each year. Typically, 300 are identified as needing repairs. Staff initiate a series of letters to the property owners and retain a contractor for them to hire for the sidewalk repairs. Property owners can choose to utilize the City hired contractor, hire an alternate contractor, or repair the sidewalk themselves. Property owners opting out of the program are required to obtain necessary building permits and generally require more staff time for correspondence to ensure completion of work. Property owners not in compliance are eventually referred to the City Attorney's Office for further correspondence which could include a citation and fine levied by the Municipal Court Judge. Mr. Nelson added that one or two administrative appeals are filed each year and only two appeals have been made to Council in the last 15 years.

Councilor Hamby opined that the property owner should be responsible for the repairs. He expressed concern that if the City becomes responsible for this program, it could escalate to property owners demanding the City mow the park strip, prune the street trees, etc.

#### Questions of Staff

Councilor Hirsch: If the sidewalk is damaged by a tree, can the City establish who planted the tree?

*Mr. Nelson: No.*

Councilor Brown: A summary of the administrative costs of the program is needed.

Councilor O'Brien: Is there uniformity of sidewalk repair?

*Mr. Nelson: The City requires the home owner to prove they are qualified to perform the work.*

Councilor Daniels noted that if the City takes over this program and makes the repairs, all property owners pay for the program through some other equally applied fee.

Councilor Hamby: How much money did the City spend to install sidewalks at Timberhill?

*Mr. Rogers: The City did not pay for the sidewalks, water lines, sewer lines, or streets. The developer paid for those installations and the costs became a part of the home purchase price.*

Councilor Hervey: If the City pays for the repairs, does the liability shift to the City?

Mr. Nelson said staff will respond to these questions at a future Council meeting. Council can then discuss this issue further and make a decision to leave the program as is or assign it to a committee for review of alternative options.

B. Corvallis Senior Center

Parks and Recreation Director Emery explained that the Senior Center bond discussions began in the 1990s. In 2006, Council approved placing the bond on the ballot. In an attempt to gain additional support, the Parks, Natural Areas, and Recreation Board (PNARB) added community-wide playground upgrades and softball features to the existing Senior Center facility remodeling. In November 2008, the bond failed by 1,100 votes. PNARB and advocates are inquiring about next steps and the Political Action Committee (PAC) has expressed desire to place the measure on the ballot when the economy improves.

Mr. Nelson added that the City might be able to fund the playground upgrades and field lights over time, but the significant funds needed to remodel the facility are not available.

In response to Councilors' comments, Ms. Emery agreed that some opposition was due to the removal of green space and a softball field. Expanding the Center and removing the southern softball field solved current parking issues and adding lights to the north field would have kept the softball program at current levels.

Councilor Brauner opined that the project should be placed on the ballot when the economy improves. A decision will need to be made about separating various projects or combining projects into a large bond request.

Councilor Hirsch opined that, if it is not expensive, the City should place the measure back on the ballot as soon as possible. Because of the current economy, it will probably be voted down and then it can be placed on the ballot again.

Councilor Brown said the credibility of the Council is at stake. This was the most expensive bond measure the City requested and the voters opined that it did not meet the cost balance. Continually bringing an issue forward to be continually voted down makes the Council look bad. He opined that one reason the bond failed is due to not having 100 percent Council support. Without that support, he questions whether the Council can ever be credible in presenting measures to the public.

Councilor Daniels stated preference to removing the softball and park upgrades from the proposal. The City should also re-examine the Dial-A-Bus location and other programs not solely serving seniors. Once the costs are reduced and when the economy improves, the City can forward a bond measure for the Senior Center and Chintimini Park improvements. She added that Council needs to be comfortable that Senior Center and Chintimini Park improvements are real and needed.

Councilor Hervey agreed that something different needs to be presented to the voters. He questioned the need for locating the Dial-A-Bus at the center and inquired whether staff investigated the development of a parking district or other parking alternative.

\*\*\* MEMORANDUM \*\*\*  
June 30, 2008

**TO:** URBAN SERVICES COMMITTEE  
**FROM:** JON S. NELSON, CITY MANAGER *JN*  
**SUBJECT:** SIDEWALK AND RELATED REPAIRS CAUSED BY TREES LOCATED IN THE PUBLICLY OWNED RIGHT-OF-WAY (ROW)

**I. Issue**

Addressing fairness and ambiguities in meeting community expectations relating to urban forestry and public infrastructure.

**II. Background**

This issue was referred to USC by City Council as an outcome of a 2007 appeal of a staff decision not authorizing removal of a tree in the ROW.

Attached for reference are:

- \* Corvallis Municipal Code 2.15: Sidewalk Improvements (Attachment A)
- \* Corvallis Municipal Code 2.19: Street Trees and Park Strip Planting (Attachment B)
- \* Corvallis Municipal Code 3.04: Public Right-of-Way (Attachment C)
- \* Land Development Code Chapter 4.2: Landscaping, Buffering, Screening, and Lighting (Attachment D)
- \* Council Policy 91-7.08: Sidewalk Policy (Attachment E)
- \* Land Development Code Chapter 2.9: Historic Preservation Provisions (Attachment F)

not included  
→

Collectively, the above codes and policy establish adjacent property owners (private and City) as the responsible parties for infrastructure repairs necessary as a result of trees planted in the publicly owned ROW. A majority of the repairs are sidewalks with occasional curb, gutter, and street repairs. Less frequent are claims of trees in the ROW impacting steps and foundations.

**III. Discussion**

Historically, the current policy of requiring repairs by adjacent property owners has resulted in very few appeals. The City uses street funds to mitigate infrastructure repairs (curb, gutter, asphalt) caused by trees. The City will also use its resources to remove a tree in the ROW that could potentially cause personal injury. Citizens, for the most part, have been understanding of the need for safe pedestrian access, the value of trees to their property, and the resulting financial burden of making sidewalk repairs when necessary.

Citizens generally accept a natural "life" for sidewalk panels (30+ years) and their responsibility for replacement based on age, or due to the impact of trees from their private property. A very rough estimate is 75% of required repairs are attributable to tree damage. In most instances, sidewalk repairs are made without removal of the trees on the private property that are causing the repairs. The tree canopy amenity is valued higher than the tree removal and sidewalk repair costs.

On occasion, private property owners have preferred removal of the tree in the public ROW that is causing sidewalk damage or perceived to be causing steps, foundation, or other damage. In this instance, the tree is viewed as a liability versus an amenity because of the more frequent than usual repairs that will be necessary over the life of the tree.

The "fairness" argument made is that the entire community enjoys the ROW tree canopy, yet the adjacent property owners are being required to make sidewalk repairs on behalf of the community at a frequency greater than others without trees in the adjacent ROW.

**IV. Alternatives**

Depending upon City Council direction, modifications to municipal code and/or City Council policies may be necessary

Alternatives include:

1. Continue existing practices.
2. City pays for all sidewalk and infrastructure repairs after the initial improvement is made. In other cities, General fund and/or Street funds are commonly used. There are both positives and negatives in pursuing this course of action.

Positives

- \* Public relations, consistent enforcement
- \* Administrative time savings, staff availability for other priorities
- \* Support community-wide value, including historic trees in right-of-way
- \* Proactive and preventative

Negatives

- \* Increased cost
- \* Increased liability exposure
- \* Individual "I just paid" fairness

V. Funding Sources

The annual estimated cost to make safety sidewalk program related public and private sidewalk and ramp repairs is approximately \$144,000 assuming a continuation of our current 11 districts approach. If the City assumed responsibility for all repairs, there may be additional costs associated with liability exposure. The annual estimated cost includes \$107,000 in tree-related damage repairs (75%) and \$37,000 in other repairs.

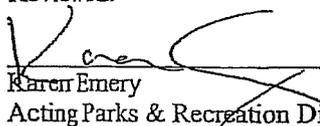
With static gas tax revenue and service pressures on property taxes, non-traditional sources have been considered. Discussions to date:

1. Inclusion of a sidewalk/street tree component was considered during the Transportation Maintenance Fee (TMF) process, but ultimately not pursued at the time of implementation. It could be re-considered in TMF sunset discussions (2009-10).
2. Urban forest advocates point to "natural features" being an important part of the community infrastructure and assert that consideration of a natural features utility for street trees and other natural features is appropriate.
3. Sidewalk repairs is a critical component of multi-modal travel goals and could fit with an alternates modes utility (transit, bike, pedestrian).

VI. Next Steps

Urban Services Committee discussion and eventual recommendation to City Council is requested. If Council pursues IV 2., it should be recognized that the work effort is a major initiative. Funding needs to be considered in the context of the revenue options to be considered by the Administrative Services Committee after the Business License program is completed. The issue may merit City Council goal consideration. A public process for considering changes and revenue source should be considered.

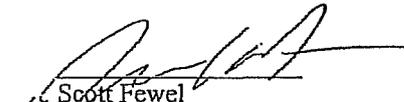
Reviewed:

  
Karen Emery  
Acting Parks & Recreation Director

  
Ken Gibb  
Community Development Director

  
Nancy Brewer  
Finance Director

  
Steve Rogers  
Public Works Director

  
Scott Fewel  
City Attorney

  
Ellen Volmert  
Assistant City Manager

**Chapter 2.15**

**Sidewalk improvements.**

**Sections:**

- 2.15.010 Definitions.
- 2.15.020 Improvements required.
- 2.15.030 Compliance with standards/guidelines.
- 2.15.040 Standard specifications/guidelines.
- 2.15.050 When improvements required.
- 2.15.060 Abandoned driveway approach.
- 2.15.070 Permit requirements.
- 2.15.080 Concrete finisher's qualifications.
- 2.15.090 Order; notice to owner.
- 2.15.100 Performance of required work by City.
- 2.15.110 Notice of cost; lien.
- 2.15.120 Appeal.
- 2.15.130 Appeal procedures.
- 2.15.140 Hearing.
- 2.15.150 Improvement district.
- 2.15.160 Sidewalk repair implementation policy.
- 2.15.170 Liability of property owner.
- 2.15.180 Penalties.
- 2.15.190 Captions.

**Section 2.15.010 Definitions.**

- 1) Curb - A raised concrete edging on the side of a street, forming a gutter.
- 2) Driveway approach - The portion of a driveway in the public right-of-way, including, if applicable, the adjacent curb and gutter.
- 3) Sidewalk - A paved pedestrian pathway located in the public right-of-way.
- 4) Owner - A person who holds title to real property or a contract purchaser of real property of record according to the latest assessment roll in the office of the Benton County Assessor.  
(Ord. 94-20 § 3, 1994)

**Section 2.15.020 Improvements required.**

- 1) All owners of land adjoining any public street in the City shall construct, reconstruct, repair, and maintain in good condition the sidewalks and driveway approaches within the public right-of-way in front of, along, or abutting their land in accordance with the provisions of this Chapter. Construction, reconstruction, repair, and maintenance of sidewalks and driveway approaches is declared to be a routine obligation of the adjacent property owner and deemed necessary to protect the health and safety of persons in the City.
- 2) The City Manager shall, at such times as he or she determines appropriate, survey or inspect the condition of sidewalks in all or any part of the City. When a survey or inspection reveals sidewalk conditions that may pose a threat to the health and safety of persons in the City, the City Manager shall issue an order to repair the sidewalk pursuant to Section 2.15.090.  
(Ord. 94-20 § 3, 1994)

**Section 2.15.030 Compliance with standards/guidelines.**

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No person shall construct, reconstruct, or repair any sidewalk, driveway approach, or curb in a public right-of-way within the City except in compliance with the specifications and guidelines of this Chapter, or exceptions thereto approved as provided in this Chapter.  
(Ord. 94-20 § 3, 1994)

### Section 2.15.040 Standard specifications/guidelines.

1) The City Manager shall adopt and, from time to time, may amend standard specifications for sidewalks, driveway approaches, and curbs to be built within the City. The specifications may include provisions relating to the kind, type, width, length, location, materials, elevation, and grade of sidewalks, driveway approaches, and curbs. The specifications shall be regarded as the minimum standards reasonably necessary for the health and safety of the public.

2) The City Manager shall adopt and, from time to time, may amend guidelines for the repair of sidewalks and driveway approaches within the City. The guidelines may establish conditions requiring repair provisions relating to the manner of repair, including materials and method, and standards for repair, including the kind, type width, length, location, elevation, and grade of sidewalks and driveway approaches. The guidelines shall be regarded as the minimum standards reasonably necessary for the health and safety of the public.

3) The City Manager may approve exceptions to the standard specifications or guidelines if the circumstances, including but not limited to topography, right-of-way width, pedestrian usage, landscaping, and other aesthetic considerations, reasonably require an exception and the public health and safety will not be unreasonably affected. When granting an exception to the specifications or guidelines, the City Manager may attach conditions which the Manager finds reasonably necessary to protect or enhance the public welfare.

(Ord. 94-20 § 3, 1994)

### Section 2.15.050 When improvements required.

1) Newly developed property.

a) The owner of property which abuts any public street improved with hard surface paving and curbs but lacking a sidewalk shall construct a sidewalk within the public right-of-way along the entire frontage of the property when any building on the property, other than an accessory structure as defined in the Land Development Code is constructed, renovated added on to, or remodeled or within three (3) years from final recording of the plat, whichever comes first.

b) No building permit shall be issued for construction, renovation, or remodeling of any building on such property unless the construction plans filed to support the application for the building permit provide for construction of sidewalks and driveway approaches in accordance with this Chapter.

c) Construction of the required sidewalk must be complete and approved by the City within thirty (30) days of completion of the work described in the building permit or occupancy of the building, whichever is sooner.

2) Other property.

The City Manager may determine that the public health and safety require construction of sidewalks or driveway approaches adjacent to property other than that described in subsection (1) above. In that event, the City Manager shall issue an order as provided in Section 2.15.090.

(Ord. 2003-39 §1, 11/17/2003; Ord. 94-20 §3, 1994)

### Section 2.15.060 Abandoned driveway approach.

When the City Manager determines that an owner or occupant of a property has discontinued the

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use of a driveway approach, the City Manager may issue an order, as provided in Section 2.15.090, requiring the owner to remove the driveway approach and restore or construct a curb and sidewalk in accordance with the provisions of this Chapter.

(Ord. 94-20 § 3, 1994)

### Section 2.15.070 Permit requirements.

No person shall construct or repair any sidewalk, driveway approach, or curb within the public right-of-way unless the person holds a valid City permit to perform the specific work. Applications for the permit shall be made on forms provided by the City and shall specify the name and address of the owner of the property, the location of the property, and the name of the person who will perform the work. A person contracted to perform the work must be registered with the Construction Contractors Board, and must demonstrate to the satisfaction of the City Manager the ability to perform the work in accordance with the City's specifications. A permit fee for the construction of a sidewalk or driveway approach or the cutting or altering of a curb as provided in the fees code (Chapter 8.03) shall be paid to the City at the time the application is filed.

(Ord. 2003-39 § 2, 11/17/03; Ord. 95-17 § 2, 1995; Ord. 94-20 § 3, 1994)

### Section 2.15.080 Concrete finisher's qualifications.

No person shall accept remuneration for constructing or repairing any sidewalk, driveway approach, or curb in the public right-of-way unless the person is registered with the Construction Contractors Board, and has demonstrated to the satisfaction of the City Manager the ability to perform the work in a workmanlike fashion according to the City's specifications.

(Ord. 94-20 § 3, 1994)

### Section 2.15.090 Order; notice to owner.

1) When the City Manager determines that construction, restoration, or repair of a sidewalk is necessary to protect public health and safety, she or he shall issue an order requiring the property owner to perform the required work.

2) Notice of the City Manager's order shall be served upon the owner by personal service or by certified mail, return receipt requested, directed to the owner at the address on the County assessor's most recent property tax assessment roll. The notice shall be deemed served at the time of personal service, or three days after mailing.

3) The notice shall state:

a) The work required to be performed;

b) That the City has determined the work is necessary for public health and safety;

c) That the work must be completed in accordance with City standards within sixty (60)

days of service of the notice;

d) That, if the owner fails to complete the work within the required time, the owner may be subject to a fine of \$250 per day, the City may perform the work at the owner expense, and the cost of the work performed by the City may become a lien against the property;

e) That the owner may appeal the order by filing an appeal within ten (10) days of service of the notice.

(Ord. 99-20 § 1, 11/15/1999; Ord. 94-20 § 3, 1994)

(99-20, Amended, 11/15/1999)

**Section 2.15.100 Performance of required work by City.**

If the owner fails to complete the required work within the time prescribed by a final order, the City may complete the work at the owner's expense. Upon completion of the work, the City Manager shall compile a report containing an itemized statement of costs, including actual administrative costs. (Ord. 94-20 § 3, 1994)

**Section 2.15.110 Notice of cost; lien.**

1) Upon completion of the report required by Section 2.15.100, the owner shall be served with a notice of costs. The notice of costs shall be served in the manner prescribed by Section 2.15.090.

2) The notice of costs shall state:

a) The total cost, including administrative costs, of the work performed by the City;

b) That the costs will accrue interest at the rate of ten (10) per cent per annum, beginning 30 days from service of the notice, and that the costs will become a lien against the property unless paid within 30 days of service of the notice;

c) That the owner may appeal the cost determination by filing an appeal within ten (10) days of service of the notice.

3) If the costs are not paid within 30 days of a final notice of cost determination, the costs as determined shall be entered in the docket of City liens, and from that time the City shall have a lien upon that described property for the total amount of the charge. That lien shall have priority over all other liens and encumbrances of any character, and may be enforced in any manner permitted by law.

4) Any lien imposed under this Chapter is hereby declared to be an incurred charge imposed on property by reason of the owner failure to meet routine obligations of ownership necessary to protect health and safety.

(Ord. 94-20 § 3, 1994)

**Section 2.15.120 Appeal.**

An owner may appeal the City Manager's order to construct, alter, or repair or the City Manager's determination of costs to a hearings officer. If an appeal is not filed within 10 days from service of the notice, the owner shall be deemed to have waived the right to appeal and the order or determination of costs shall become final.

(Ord. 94-20 § 3, 1994)

**Section 2.15.130 Appeal procedures.**

1) An appeal shall be filed in writing with the City Manager within 10 days of service of notice of an order or cost determination.

2) The appeal shall include a copy of the notice, and shall state the specific reasons for the owner's objection to the order or cost determination.

3) The appeal shall be accompanied by a \$50.00, nonrefundable appeal fee.

(Ord. 94-20 § 3, 1994)

**Section 2.15.140 Hearing.**

1) If an appeal is properly filed, a hearing shall be held in accordance with this Section.

2) The hearing shall be held before a hearings officer appointed by the City Manager. The hearing shall be set and conducted within 96 hours of receipt of the request, holidays, Saturdays and

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Sundays not to be included. The hearings officer may adopt rules and procedures for the conduct of the hearing. The hearing may be continued to a later date upon the request of the owner. Except as this Chapter or rules adopted by the City Manager prior to the hearing provide otherwise, the hearing shall be conducted in accordance with the Attorney General's Model Rules of Administrative Procedure, 1993 edition.

3) If the appeal is from an order to construct, restore, or repair a sidewalk, curb, or driveway approach, the issue before the hearings officer shall be limited to whether the work ordered is necessary for the health and safety of the public. If the hearings officer determines that it is necessary, the hearings officer shall issue an order requiring that the work be completed within sixty (60) days. If the hearings officer finds that the work is not necessary for the health and safety of the public, the hearings officer shall issue an order so stating.

4) If the appeal is from a cost determination, the issue before the hearings officer shall be limited to the accuracy of the costs assessed. The hearings officer shall issue an order affirming or modifying the costs assessed, and requiring payment within thirty (30) days.

5) The order of the hearings officer shall be made in writing, and shall include a statement of findings supporting the decision.

6) If the owner fails to appear at the scheduled hearing, the hearings officer shall issue an order affirming the City Manager's order or cost determination.

7) The order of the hearings officer shall be served on the City Manager and the owner, by personal service or first-class mail. The notice to the owner, if served by mail, shall be sent to the address provided in the notice of appeal.

8) The decision of the hearings officer shall be final, except that it may be appealed to the City Council as provided in Chapter 1.11. Any appeal to Council must be filed within 10 days of the decision of the hearings officer. If such an appeal is filed, no fines shall be levied, work performed by the City, or liens filed until after resolution of the appeal.

(Ord. 2003-39 §3, 11/17/2003; Ord. 99-20 §2, 11/15/1999; Ord. 94-20 §3, 1994)  
(99-20, Amended, 11/15/1999)

### **Section 2.15.150 Improvement district.**

Nothing in this ordinance shall prevent the City Council from forming a sidewalk improvement district or from improving a sidewalk as a part of any other improvement district.  
(Ord. 94-20 § 3, 1994)

### **Section 2.15.160 Sidewalk repair implementation policy.**

The City Manager will develop and maintain an administrative policy for sidewalk repairs abutting private property that provides for City financial and administrative assistance to property owners with the repair of sidewalks and driveways.  
(Ord. 94-20 § 3, 1994)

### **Section 2.15.170 Liability of property owner.**

It is not only the duty of all owners of land within the City to keep in repair all sidewalks and driveway approaches existing in front of, along, or abutting upon their respective lots or parcels of land or parts thereof, but the owners are hereby declared to be solely liable for all damages to whomsoever resulting or arising from their fault or negligence in failing to keep any sidewalk or driveway approach in repair.

(Ord. 94-20 § 3, 1994)

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**Section 2.15.180 Penalties.**

Any person who violates any provision of this ordinance shall, upon conviction, be subject to a fine of not more than \$250.00. Each day's violation constitutes a separate offense.  
(Ord. 94-20 § 3, 1994)

**Section 2.15.190 Captions.**

The Section captions and headings in this Chapter are for convenience and reference purposes only and shall not affect in any way the meaning or interpretation of this Chapter.  
(Ord. 94-20 § 3, 1994)

**Chapter 2.19**

**Tree and Park Strip Planting**

**Sections:**

- 2.19.010 Purpose.
- 2.19.020 Definitions.
- 2.19.030 Enforcement.
- 2.19.040 Tree Contractors Qualifications.
- 2.19.050 Standards/Guidelines.
- 2.19.060 Permit Requirement - Planting, Pruning, Removal.
- 2.19.070 Permit Issuance and Conditions.
- 2.19.080 General Conditions and Restrictions.
- 2.19.090 Appeals Procedure.
- 2.19.100 Prohibited Trees, Right-Of-Way.
- 2.19.110 Sewer Interference.
- 2.19.120 Removal.
- 2.19.130 Height Near Rights-Of-Way.
- 2.19.140 Sight Distances.
- 2.19.150 Nuisances.
- 2.19.160 Property Owner Compliance and Liability.
- 2.19.170 Abuse, Mutilation, Destruction or Topping.
- 2.19.180 Penalty.
- 2.19.190 Supplemental Materials.
- 2.19.200 Severability.

**Section 2.19.010 Purpose.**

The purpose of this ordinance is to promote and protect the public health, safety and general welfare by providing for the regulation of the planting, pruning and removal of trees, shrubs and vegetation in the public right of way or on public lands within the City of Corvallis. This ordinance will provide the framework to create a healthy, sustainable urban forest that contributes to the economic and environmental well being of Corvallis residents.

(Ord. 2005-06 §3, 04/18/2005)

**Section 2.19.020 Definitions.**

- 1) ANSI A300 - an American National Standard for Tree Care Operations covering standard practices for tree, shrub and other woody plant maintenance. These standards are intended to apply to any person, or entity engaged in the business, trade, or performance of repairing, maintaining, or preserving trees.
- 2) ANSI Z133.1 - an American National Standard for Safety for Tree Care Operations. These safety requirements are intended to apply to any person or entity engaged in the business, trade or performance of pruning, trimming, repairing, maintaining and removing trees, and cutting brush.
- 3) Appraised Value – the value attached to a tree as determined by the Council of Tree and Landscape Appraisers Guide for Plant Appraisal.
- 4) Hazardous Tree - a tree that is dead, or alive and is so affected by a significant structural defect, damage or disease that the potential of the tree or tree part to fall or fail appears imminent and the tree poses a threat to life or property.
- 5) Arborist - ISA Certified Arborist is a professional who possesses the technical competence through experience and related training to provide for or supervise the management of trees and other

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woody plants in the residential, commercial and public landscape as defined by the International Society of Arboriculture. An ISA Certified Arborist has through experience, testing and ongoing education demonstrated a basic level of tree care knowledge. Ongoing education is a requirement to keep this certification. An ASCA Consulting Arborist is a professional who possesses the highest levels of technical and business skill in the industry as defined by the American Society of Consulting Arborist. An ASCA Consulting Arborist is versed in the legal, environmental and regulatory issues concerning trees.

6) Park strip - the space between the curb and sidewalk.

7) Public trees - trees located in public rights of way not defined as street rights of way (i.e., drainage ways) or trees located on property designated as a public park or open space.

8) Property owner - Any person, firm or corporation owning, possessing or having the right to control any property in the City. In the event that more than one person, firm or corporation has joint or concurring ownership in, or has a right to possession or control of the same parcel of ground, then each of said persons, firms or corporations shall be jointly and severally responsible to comply with this ordinance.

9) Short Term Traffic Control Handbook - the most current edition of this quick reference manual for controlling traffic through short term work zones published by the Oregon Department of Transportation. A separate permit for traffic control may be required.

10) Shrub - a low woody perennial plant usually having several major branches and less than 15 feet in height.

11) Street trees - trees located in public rights of way within the City.

12) Topping - the severe cutting back of limbs to stubs within the tree's crown to such a degree as to remove or alter the natural growth habit of the canopy and/or disfigure the tree.

13) Tree - a self supporting, perennial woody plant characterized by one main trunk, or in some cases, multiple trunks with a trunk diameter of at least 1-1/2 inches at a point 6 inches above ground level at the base of the trunk and one main canopy of leaves, usually growing to a height of 15 feet or more.

14) Vegetation - woody shrubs and trees.

(Ord. 2005-06 §3, 04/18/2005)

### **Section 2.19.030 Enforcement.**

The City Manager or her or his duly authorized representative shall be charged with the enforcement of this Chapter.

(Ord. 2005-06 §3, 04/18/2005)

### **Section 2.19.040 Tree Contractors Qualifications.**

No person shall accept remuneration for pruning, root pruning, planting or removing any street, or public tree(s) within the City of Corvallis without first meeting or exceeding the current State licensing requirements. That person shall be registered with the appropriate Contractors Board, carry the required insurance and bond, abide by all state and local safety standards and perform the work in a professional fashion according to the City's tree standards/guidelines.

(Ord. 2005-06 §3, 04/18/2005)

### **Section 2.19.050 Standards/Guidelines.**

The City Manager, with advice from the Citizens Advisory Commission on Civic Beautification and Urban Forestry (CBUF), shall adopt and from time to time update standards for pruning, planting, root pruning and removal of trees. In addition, a list of recommended trees shall also be maintained as a guide

## Corvallis Municipal Code

for citizens who are interested in planting trees in the public rights of way. The City Manager may approve exceptions to the standards or guidelines if these exceptions, including, but not limited to, rights of way width, pedestrian usage, landscaping, utilities and other aesthetic considerations and public health and safety, will not be unreasonably affected. When granting an exception to the standards or guidelines, the City Manager may attach conditions which the City Manager finds reasonably necessary to protect or enhance the public welfare.

(Ord. 2005-06 §3, 04/18/2005)

### **Section 2.19.060 Permit Requirement - Planting, Pruning, Removal.**

1) No adjacent property owner shall plant, any tree, shrub or vegetation that has the potential to grow 24 inches or taller in the park strip areas and other public lands of the City without first obtaining a permit to do so from the City Manager. The City maintains a list of recommended trees.

2) No property owner shall prune or remove any street or public tree in the City without first obtaining a permit to do so from the City Manager. A separate permit for traffic control may be required, with a written plan that conforms to the Short Term Traffic Control Handbook.

3) In the event of a storm, freeze or other weather event resulting in damage to street and public trees, the City Manager may declare an emergency suspension of the permit requirements, for the removal and pruning only, of damaged trees set forth in this Chapter. Such declaration shall prescribe dates during which permits are not required, but in no event may any single declaration exceed 21 days.  
(Ord. 2005-06 §3, 04/18/2005)

### **Section 2.19.070 Permit Issuance and Conditions.**

1) On receiving an application filed by an applicant containing all relevant facts relating to the request, the City Manager may, in his or her discretion, issue a permit or permits to the property owner or their authorized designee to plant, prune or remove trees, shrubs or vegetation in the park strip areas adjacent to his/her property. A separate permit for traffic control maybe required, with a written plan that conforms to the Short Term Traffic Control Handbook.

2) The City Manager shall give consideration to the following factors in granting such permits and shall not grant a permit if she or he finds that to do so would be detrimental to the public interest:

- a) Width of the park strip or planting space.
- b) Species and growth habit of tree, shrub or vegetation.
- c) Location of parking meters, light standards, crosswalks, buildings, entrance and exit ways, streets, utility poles, alleys, loading zones, and other physical conditions and legal restrictions then existing or reasonably contemplated. Reference Corvallis Land Development Code 4.2.30 (Required Tree Planting), trees shall not be planted within 10 feet of fire hydrants and utility poles; within 20 feet of street light standards; or within 10' of a public sanitary sewer, storm drainage or water line.

d) Purpose of applicant's proposed action.

e) Any other factors found by her or him to be relevant.

3) The City Manager shall designate in the permit or in an exhibit attached to it the areas in which planting shall be allowed, the type of plantings allowed, and any other condition or restriction that she or he deems necessary or expedient to protect the public interest.

(Ord. 2005-06 §3, 04/18/2005)

### **Section 2.19.080 General Conditions and Restrictions.**

1) Each property owner planting, pruning and removing trees, shrubs, or vegetation under permit shall comply with the following general conditions and restrictions:

- a) The permittee shall abide by all of the terms, conditions and restrictions contained in the

## Corvallis Municipal Code

permit and abide by the ANSI A 300 for Tree Care Operations, ANSI Z133 Safety for Tree Care Operations as well as all state and local safety regulations.

b) The permittee shall indemnify and save the City, its officers, agents, officials and employees, harmless from any claim or award for damages or injuries to property or persons, including costs and attorneys fees, allegedly arising in whole or in part out of the use, occupation, or disruption of park strip areas by permittee or those acting on his or her behalf or with his or her approval or ratification or allegedly arising in whole or in part out of the failure by the permittee to abide by the terms of this permit.

c) The permit shall be nontransferable.

d) The permit shall be revocable at any time with cause at the discretion of the City Manager and no expenditure of money, lapse of time, or any act or thing shall act as an estoppel against the City or be held to give permittee or the owner of any property any vested right.

e) The installation and care of such plantings shall be at the sole cost and expense of the permittee without cost to the City, and the park strip sidewalks and sidewalk areas in the vicinity of the plantings and the structure served thereby shall be maintained in a good state of repair and maintenance at the sole cost and expense of the permittee.

f) The permittee shall remove, replace or relocate individual plantings or vegetation as the public convenience or necessity warrants and at the request of the City Manager.

g) No permit shall become effective unless the permittee named shall simultaneously with the issuance file with the City Manager in form approved by her or him a notice of acceptance of the terms, covenants, and conditions and an agreement to abide by all of the terms, covenants, conditions, and obligations imposed on permittee.

(Ord. 2005-06 §3, 04/18/2005)

### **Section 2.19.090 Appeals Procedure.**

Any applicant who feels aggrieved by any action taken by the City Manager may file a written appeal with the City Council, describing in detail the reasons for the appeal within 10 days of City Manager's decision. The Council shall hear the appellant's concerns, along with any other relevant information and thereupon may confirm the decision made by the City Manager, or may choose another appropriate action in relation to the application.

(Ord. 2005-06 §3, 04/18/2005)

### **Section 2.19.100 Prohibited Trees, Right-Of-Way.**

Certain trees, due to their growth habits, invasive nature, fruit drop or tendency to block sight distance, cannot be planted in the park strip. The City Manager, with advice from CBUF, maintains an up-to-date list of the prohibited trees, which include but are not limited to the following trees: bamboo, poplar, willow, conifer, cottonwood, fruit and nut trees and ailanthus in or on any street rights-of-way or park strip in the City.

(Ord. 2005-06 §3, 04/18/2005)

### **Section 2.19.110 Sewer Interference.**

It shall be unlawful to plant willow, cottonwood, or poplar trees anywhere in the City unless the City Manager approves the site as one where the tree roots will not be likely to interfere with a public sewer.

(Ord. 2005-06 §3, 04/18/2005)

### **Section 2.19.120 Removal.**

## Corvallis Municipal Code

The City Manager may cause any trees, shrubs, plants, or vegetation in or upon any park strip, street rights-of-way, or other public place in the City to be pruned, or removed and said pruning, or removal may be done by anyone designated to do so by said City Manager. The City shall adopt an administrative policy to eliminate public trees known to be hazardous in a timely and efficient manner, in order to reduce unsafe conditions.

(Ord. 2005-06 §3, 04/18/2005)

### **Section 2.19.130 Height Near Rights-Of-Way.**

Every property owner in the City shall have the duty to and shall prune or remove any tree, shrub, plant or vegetation in or upon a park strip abutting that owner's property to a height of not less than eight feet above any sidewalk and to a height of not less than 12 feet above any street pavement or curb. This work shall comply with current industry standards (ANSI A300, ANSI Z133).

(Ord. 2005-06 §3, 04/18/2005)

### **Section 2.19.140 Sight Distances.**

Every property owner in the City shall have a duty to and shall prune, or remove any tree, shrub, plant or vegetation on her or his property so that such tree, shrub, plant, or vegetation shall not interfere with reasonable sight distance at street intersections, alley ways and private driveways. This work shall comply with current industry standards (ANSI A300, ANSI Z133).

(Ord. 2005-06 §3, 04/18/2005)

### **Section 2.19.150 Nuisances.**

1) Any tree, shrub, plant, or vegetation growing in or upon any park strip, street rights-of-way, or public place, or on private property which is endangering or which in any way may endanger the security or usefulness of any public street, sewer or sidewalk, or which in any way may be dangerous to life or property is hereby declared to be a public nuisance, and the City or the City Manager may remove or prune such tree, shrub, plant, or vegetation or may require the property owner to remove or prune any such tree, shrub, plant, or vegetation in or upon private property or upon a street rights-of-way or park strip abutting said owner's property.

2) The failure by the property owner to remove or prune such tree, shrub, plant, or vegetation within 30 days after notice is given to do so by the City Manager shall be deemed a violation of this Chapter, and the City Manager or designee may at any time thereafter remove or prune said tree, shrub, plant, or vegetation and assess the cost against the property, consistent with the City's Administrative Policies regarding the removal of hazardous trees and vegetation. The amount of the assessment may be docketed by the City Manager in the City lien docket and shall be a lien against the property which can be foreclosed in the same manner as the foreclosure of a street assessment lien. That lien shall have priority over all other liens and encumbrances of any character.

(Ord. 2005-06 §3, 04/18/2005)

### **Section 2.19.160 Property Owner Compliance and Liability.**

It is not only the duty of all property owners within the City to comply with each and every provision of this Chapter, but such property owners are also hereby declared to be liable for all damages to any person, firm or corporation whomsoever resulting or arising from such property owner's failure to comply with the provisions of this Chapter.

(Ord. 2005-06 §3, 04/18/2005)

## Corvallis Municipal Code

### Section 2.19.170 Abuse, Mutilation, Destruction or Topping.

1) It shall be unlawful for any person to abuse, destroy, top or mutilate any tree in or upon any street right-of-way, park strip or other public place in the City or to attach or place any rope or wire (other than one used to support a young or broken tree), sign, poster, handbill or other thing to, on or in any tree. Abuse and mutilation could include but not be limited to; pouring solvents on roots, girdling the tree, harming any part of the trunk or circumference of a tree, causing compaction around the tree roots, removing/ harming any part of the roots, breaking branches by hanging on or climbing a tree etc.

2) Trees severely damaged by storms or other causes or certain trees under utility wires or other obstructions where normal pruning practices are impractical may be exempted at the determination of the City Manager.

3) This action shall not be construed to prevent abutting property owners from minor pruning of a tree, shrub or plant in or upon a street rights-of-way or park strip abutting her or his property in accordance with the ANSI A300's, nor shall it be construed to prevent the City or the City Manager from pruning or removing any tree, plant, shrub or vegetation from any street right-of-way, park strip or other public place in the City.

(Ord. 2005-06 §3, 04/18/2005)

### Section 2.19.180 Penalty.

Any person violating any provision of this Chapter shall, upon conviction thereof, be punished by a fine not to exceed \$500.00 per tree. A violation of this Chapter may be prosecuted as a Class A infraction under the procedures of ORS 153.110 to 153.310. The City Manager or duly authorized representative is authorized to issue a citation to any person violating any provision of this Chapter. In the event that a tree or trees are damaged, destroyed or wrongfully removed, the appraised value of the plant may be additionally applied to this penalty. The appraised value shall be determined by using the Council of Tree and Landscape Appraisers Guide for Plant Appraisal and applied by an ISA Certified or ASCA Consulting Arborist trained in this process. Fines shall be paid into the Urban Forestry Project Account. (Ord. 2005-06 §3, 04/18/2005)

### Section 2.19.190 Supplemental Materials.

1) The City shall from time to time adopt supporting administrative policies, standards, guidelines and supplemental material which by this reference are incorporated within this code as if set out completely. These supplemental materials shall be set out by title in this section.

- a) SUPPORTING POLICIES
  - 1. Hazard Tree Abatement
- b) SUPPORTING STANDARDS/ GUIDELINES
  - 1. Planting materials
  - 2. Planting methods
  - 3. Tree establishment
  - 4. Pruning standards
  - 5. Excavation and construction standards
  - 6. Recommended tree list
  - 7. ISA Arborist Certification
- c) SUPPLEMENTS
  - 1. ANSI Z 133.1
  - 2. ANSI A 300 Tree Care Standards
    - Part 1: Pruning
    - Part 2: Fertilization

Corvallis Municipal Code

Part 3: Cable and Bracing

3. Best Management Practices

Pruning

Tree & Shrub Fertilization

Cable/Bracing/Guying

4. Principals of Planting Trees & Shrubs (by G.W. Watson & E.B. Himelick)

(Ord. 2005-06 §3, 04/18/2005)

**Section 2.19.200 Severability.**

If any phrase, clause, or part of this Article is found to be invalid by a court of competent jurisdiction, the remaining phrases, clauses and parts shall remain in full force and effect.

(Ord. 2005-06 §3, 04/18/2005)

CITY OF CORVALLIS

COUNCIL POLICY MANUAL

POLICY AREA 7 - COMMUNITY IMPROVEMENTS

CP 91-7.08            Sidewalk Policy

Adopted September 18, 1961 & Revised September 8, 1970 (91-7.08.020)

Adopted May 21, 1973 (91-7.08.030)

Combined and Affirmed October 7, 1991

Revised June 20, 1994

Reviewed November 6, 1995

Revised November 3, 1997

Revised November 15, 1999

Affirmed October 16, 2000

Revised December 17, 2001

Revised November 4, 2002

Revised November 17, 2003

Revised December 20, 2004

Revised December 19, 2005

7.08.010        Purpose

To establish a policy regarding sidewalk construction and repair.

7.08.020        Policy - Sidewalk Construction

7.08.021        Sidewalk construction shall be as per Municipal Code Chapter 2.15 Sidewalk Improvements, as amended.

7.08.022        The criteria used to base an order to construct a missing sidewalk in an area that generally has sidewalks will be as follows:

Undeveloped Lot - Where the plat was recorded after November 1997 and has been recorded three years or longer, or when the missing sidewalk creates a threat to public safety and health as determined by the Public Works Director, and there is no sidewalk on the opposite side of the street unless there is no reasonably safe means for a person to cross the street.

## Council Policy 91-7.08

Developed Lot - The City has received a compliant and review by City staff determines that the missing sidewalk presents a threat to public safety and health, and there is no sidewalk on the opposite side of the street unless there is no reasonably safe means to cross the street.

### 7.08.030 Policy - Sidewalk Repair

7.08.031 The owners of land adjoining any street in the City are responsible for the repair and maintenance of sidewalks in front of, along, or abutting their property as established by Municipal Code Chapter 2.15.

7.08.032 It is the responsibility of the City to construct and repair sidewalk wheelchair access ramps at intersections, repair and maintain sidewalks at public alley approaches, and repair and maintain sidewalks in front of, along, or abutting City owned property.

7.08.033 The City will maintain an ongoing annual program to identify hazardous sidewalk conditions, notify those responsible of necessary repairs, and ensure that repairs are completed.

7.08.034 The City will provide year round inspections of sidewalk hazards identified by citizen complaints in all areas of the City.

7.08.035 As per Municipal Code Section 2.15.160, as amended, the City will establish an optional program as per 7.08.040 Annual Program - Sidewalk Safety Program to assist property owners with repairs to hazardous sidewalks as well as the financing of those repairs as per 7.08.060 - Optional Financing of Repair Costs.

7.08.036 The City will attempt to accommodate trees and planting strips by *considering sidewalk relocation options, including easements on private property.*

### 7.08.040 Annual Program - Sidewalk Safety Program

7.08.041 Annually, the City will identify a district within the city limits containing public sidewalks to be inspected based on the Sidewalk Safety Districts map maintained by Public Works. The City will provide notification to all residents and owners of property within that year's district describing the program.

7.08.042 Sidewalk hazards will be identified and marked following guidelines prepared by the City Public Works Department.

## Council Policy 91-7.08

- 7.08.043 In conjunction with the annual sidewalk inspection, City Staff will identify locations in need of wheelchair access ramps as well as sidewalk repairs designated as City responsibility.
- 7.08.044 Property owners will be notified by letter of repairs to sidewalks abutting their property as per Municipal Code Section 2.15.090, as amended. An estimate of repair costs will be provided with the notification. For owners of property outside the Central Business District who participate in the annual program by utilizing the City's contract, if the sidewalk is wider than five (5) feet, the property owner shall be responsible for the costs related to a width of five (5) feet; the City shall be responsible for the cost of the additional width calculated on a proportional basis. Property owners who choose to arrange for the repairs themselves, regardless of sidewalk width, shall bear the entire cost of repairs.
- 7.08.045 Property owners will be given the option of insuring completion of the repairs themselves or notify their intent that the City coordinate repairs and will indicate their choice to the City. If a property owner chooses to insure the completion of the repairs, a permit must be obtained from the Development Services Division as per Municipal Code Section 2.15.070.
- 7.08.046 Property owners who choose to arrange for the repair work themselves will be required to complete all repairs by City permit, as per Municipal Code Section 2.15.070, as amended, and within 60 days of the initial notification of repairs. Property owners who fail to respond within 30 days from the date of the notice issued as per 7.08.044 will be issued an order as per Municipal Code Section 2.15.090. Copies of sidewalk construction standards and specifications are available from the Development Services Division.
- 7.08.047 Property owners who choose to complete the work themselves will be required to sign a statement that they have reviewed and understand the adopted City sidewalk standards and provide proof of liability insurance in order to receive a permit. Property owners may also contract directly with a qualified contractor.
- 7.08.048 The City will advertise all other work for bids according to City purchasing code and State law requirements in conjunction with its annual program to construct wheelchair access ramps and repair sidewalks designated as City responsibility.
- 7.08.049 Once bids are received, the City will provide a notification of the actual repair costs to the property owners who indicated their intent that the City coordinate the repairs. Repair costs will include the actual cost of construction plus administrative.

## Council Policy 91-7.08

- 7.08.050 Once actual repair costs are made available to them, property owners will be given an additional opportunity to decide whether to arrange for the repairs themselves or commit to an agreement that the City coordinate repairs.
- 7.08.051 Property owners who were notified as per 7.08.049 and choose to arrange for repairs themselves or fail to respond to the notification within 30 days from the date of that notification, will be given 60 days from the date of the notice in which to complete repairs.
- 7.08.052 Property owners who request that the City coordinate repairs must, within 30 days of the notification issued as per 7.08.049, either pre-pay the entire cost of repairs or apply for optional financing with the City.
- 7.08.053 Should the City coordinate repairs for the property owner and additional work that should have been identified by the City during the initial inspection be required during the course of construction, the additional cost to complete that work will not be passed on to the property owner.
- 7.08.060 Optional Financing of Repair Costs
- 7.08.061 An optional fixed rate loan will be made available to all property owners who request coordination of repairs by the City. The loan duration will be equal to one year for every \$250 borrowed up to a maximum of five years and will be secured by property liens. Loan applications will be distributed and collected by Public Works staff.
- 7.08.062 The Finance Department will set loan rates by April 1 of each year for the following fiscal year. It is the intent of this policy to set loan rates lower than those currently offered for unsecured loans, yet high enough to discourage those who can afford to pay the full cost of repairs from tying up available loan funds.
- 7.08.063 Financing will be offered within loan funding levels at no interest to those property owners who qualify for low income assistance. Low income is defined as income at or below 80% of Benton County median income based on family size.
- 7.08.070 Enforcement
- 7.08.071 Property owners who fail to construct new sidewalks or complete the required repairs within the time frames established in this document and by Municipal Code will be subject to fines as established in the Municipal Code Chapter 2.15, as amended.

## **Council Policy 91-7.08**

7.08.072. To ensure that property owners who are noticed as a part of the annual sidewalk safety program as per 7.08.040 are given every opportunity to comply, a follow-up letter will be sent after the 60-day repair period has expired, reminding them of their responsibility, and requesting that repairs be made within 30 days.

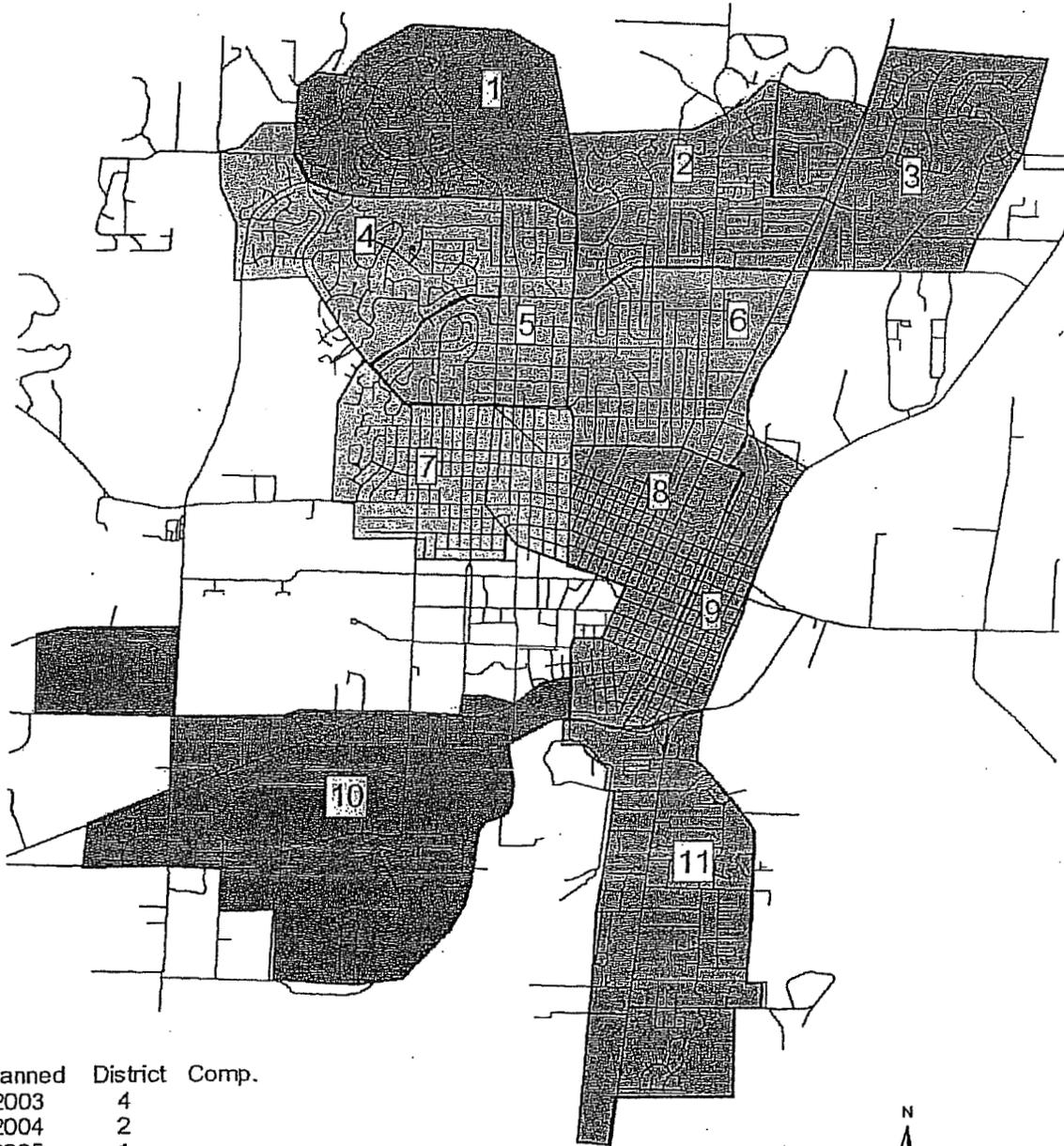
7.08.073 Those cases that do not respond to the follow-up letter sent as per 7.08.072 will be referred to the City Attorney's Office (CAO). The CAO will issue a new letter, requiring repairs to be made immediately.

7.08.074 Cases that are referred to the CAO will be evaluated individually to determine the reason for non-compliance. In each case, an effort to work out voluntary compliance will be exhausted before legal enforcement procedures are implemented. Legal action will seek compliance and recovery of legal costs incurred by the City.

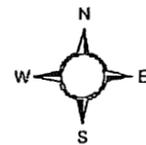
### 7.08.080 Review and Update

This Community Improvement Policy shall be reviewed by the Public Works Director triennially in October and updated as appropriate.

# Sidewalk Safety Districts



Planned	District	Comp.
2003	4	
2004	2	
2005	1	
2006	8	1989
2007	11	1995
2008	10	1996
2009	3	1997
2010	9	2000
2011	7	2001
2012	6	2001
2013	5	2002



October 7, 2002

In response to Councilor Daniels' inquiry regarding the timing of construction with the decrease of the Federal Investment Tax Credit December 31, 2008, Mr. Rogers confirmed that SEP could complete construction of one phase of the project by December 31st. "Whereas" preamble C was added to the agreement because of the project timing to ensure that some work could be completed while the tax credit was still at the 30-percent level. The facility can be constructed very quickly.

Councilor Grosch asked that the Council be advised if City Legislative Committee recommendations should be submitted to the City's Congressional delegates regarding the Federal tax credit.

Based upon a motion moved and seconded by Councilors Grosch and Daniels, respectively, the Committee unanimously recommends that Council approve the Solar Services Agreement with SunEnergy Power and authorize the City Manager to sign the agreement.

## II. Sidewalk and Related Repairs Caused by Trees in the Right-of-Way (Attachment)

City Manager Nelson noted that the issue represents extensive work. Peter Ball appealed a tree removal decision to the Council, which asked the Committee to review Municipal Code and master plan provisions and recommend any appropriate changes. One concern regarding the issue is a sense of equity for property owners with trees that cause sidewalk damage on their properties, even though the trees are considered public amenities. These property owners repair their sidewalks more often than people without trees in the public right-of-way.

Staff reviewed alternatives other than requiring the adjacent property owner to make the repairs. The existing practice requires extensive Public Works staff time and results in some negative public relations perceptions. Alternatively, the City could pay to repair sidewalks and infrastructure damaged by trees. The staff report outlines advantages and disadvantages of this option.

Annual costs for sidewalk and ramp repairs are estimated to be \$144,000, with \$107,000 related to tree damage repairs and \$37,000 related to other damage causes. In terms of program funding options, gasoline and property tax revenues are relatively stable but are dedicated to other services. Staff proposed three funding options:

- Include a sidewalk/street tree component in the next Transportation Maintenance Fund program update. The fund is dedicated to specific projects. Staff will seek renewal of the program to continue street repairs, but the program could be expanded to include sidewalk repairs.
- Establish a natural features utility to support sidewalk repair necessitated by street tree damage and other natural feature needs.
- Establish an alternate transportation modes utility to respond to sidewalk repairs, bicycle facility improvements, and public transportation.

Review of this issue could become a major revenue discussion that could involve a Council work session discussion and a possible future Council goal. This issue probably could not be concluded by the end of the current Council term. If the Council so directs, staff could develop a public process and evaluate the various options from the City's perspective.

Councilor Grosch concurred that the project is large. A new Council will assume office in a few months and will establish its goals for its term of office. He believes the new Council should discuss the issue, rather than the current Council making decisions. The issue should be addressed, but action cannot be completed during the remainder of the current Council term. He concurred with evaluating the funding source options.

Mr. Nelson said he suggested that the current Council discuss the issue during a work session because the Council has goals of alternative revenue sources.

Councilor Grosch said he did not want to bind the next Council in terms of actions it can take. A work session discussion by the current Council would provide some information to the next Council.

Mr. Nelson added that a full Council discussion would help guide future Council action regarding other revenue issues – all revenue issues would be presented for initial consideration.

Councilor Daniels noted that the issue involves factors of tree removal, public process, street tree maintenance, and Urban Forester involvement. She would appreciate the Council conducting a comprehensive discussion. She would, therefore, support forwarding the issue to the Council for further consideration. She asked that "sustainability" be listed as a positive aspect of the City assuming responsibility for sidewalk repairs necessitated by street tree damage. She also asked that Comprehensive Plan Section 5.3 be included with the information forwarded to the Council because it states that the urban forest is considered a public asset with a monetary value, referencing the 1997 inventory of street trees, which were valued at more than \$12 million.

Councilor Grosch summarized that the Committee would recommend that the Council forward the issue to a Council work session for a broad discussion to give direction to staff.

III: Other Business

- A. The next regular Urban Services Committee meeting is scheduled for August 7, 2008, at 12:00 pm, in the Madison Avenue Meeting Room.

Councilor Daniels adjourned the meeting at 12:50 pm.

Respectfully submitted,

Patricia Daniels, Chair

The motion passed unanimously.

Councilor Daniels announced that Ashland's Electric Utility Director is scheduled to meet with Council on October 6 to share information about Ashland's Utility District and activities for alternative energy. A public presentation is also being scheduled for the same date.

USC  
1/24/08

(2)

2. Sidewalk and Related Repairs Caused by Trees in the Right-of-Way

Councilor Daniels reported that staff requested direction about a number of right-of-way issues including street trees, sidewalks, maintenance, and expenses. Staff proposed a comprehensive review, and after a lengthy discussion, the USC concurred that this issue should be forwarded to a Council work session for further discussion and staff direction. Council concurred.

C. Administrative Services Committee – July 24, 2008

1. Business License Program

Councilor York reported that the Business License Program (BLP) Committee focused on rate structure, use of BLP funds, and a sunset date. The Committee agreed that funds would be dedicated to economic development and the Committee would sunset after five years. There was consensus of some rate structure details, but not the actual rate structure. The Committee will discuss rate structure further at their next meeting. One item left open was how to deal with multiple locations.

Councilor Daniels noted there has been a considerable amount of misunderstanding about the BLP, including how the proposal started and how funds will be used. The newspaper has reported on many of the community discussions already held. She encouraged those citizens concerned about this program to attend a meeting or contact staff.

Councilor Wershow added that the BLP meeting materials are available online through the archives link on the City's Web page ([www.ci.corvallis.or.us](http://www.ci.corvallis.or.us)) under Administrative Services Committee.

This item was presented for information only.

D. Other Related Matters

1. A resolution forwarding a Senior and Community Center/Chintimini Park bond measure to the voters at the November 4, 2008 election

Mr. Fewel read a resolution referring to the electors of the City a ballot measure authorizing the issuance of \$13,610,000 in general obligation bonds to finance improvements of the Senior and Community Center and Chintimini Park; and authorizing other matters in connection therewith.

2. Rental Housing Program Annual Report

Councilor Raymond announced that *the City* newsletter recently included information about the Rental Housing Program. The City's Housing Code was implemented in 2002 and updated as recently as 2008. In Fiscal Year 2009-2010, the per unit fee increased \$2.00.

Councilors Raymond and Brown, respectively, moved and seconded to accept the Rental Housing Program report for Fiscal Year 2008-2009. The motion passed unanimously.

3. Annual Communications Plan Report

Councilor Raymond reported that a Communications Specialist was hired in October 2008 to facilitate action plan items. She encouraged Councilors to read the thorough report.

This item presented for information only.



B. Administrative Services Committee – September 23, 2009

1. Alternative Funding Sources for Transportation

Councilor O'Brien said staff has proposed a two-phase plan to address the potential sunset of the Transportation Maintenance Fee (TMF) in June 2011. The first phase includes public input and discussions about the current plan and the second phase includes public input related to additional funding demands, such as the sidewalk safety program, transit service hours and no-fare policy, street trees, alternative transportation modes, and potential uses identified by the Energy Strategy Ad Hoc Committee.

The Administrative Services Committee (ASC) decided to continue the discussions versus forming an ad hoc committee.

Councilors O'Brien and Hirsch, respectively, moved and seconded to approve the transportation funding assessment process and designate the Administrative Services Committee to receive public comments.

Councilor Hamby said he supports the process; however, he wants the focus on the replacement or reconstruction of neighborhood streets. The other suggested programs should not take precedence over City streets.

Councilor Hirsch said while recognizing City streets as the priority, he supports using TMF funds for sidewalk repair and street trees.

Councilor Brauner said the ASC will review how the TMF should be amended in its relationship to City streets and then decide whether other programs should be combined into a single fee attached to utilities or as separate programs. Separating

the fees by program provides transparency. He noted that the State's transportation bill was not referred to the voters and the funding for that program will be part of the ASC discussions.

The motion passed unanimously.

2. Land Development Code Fees Review

Councilor O'Brien said the ASC heard from 11 citizens and received six e-mails related to Land Development Code (LDC) fees. The ASC recommends holding this item for further review based on additional questions.

Councilor Daniels said when the previous Council began the process to amend fees, the original 50 percent subsidy was due to a land use process that was citizen involvement intensive. When the LDC was revised, a number of the processes were changed to provide clear and objective standards that do not require discretionary hearings. Therefore, the cost involved for the development community has significantly declined.

Councilor Brauner agreed with Councilor Daniels' recollection of events and said the information will be taken into consideration.

Councilor O'Brien said there are other issues that the ASC will carefully review.

This item presented for information only.

Councilor O'Brien left the meeting at 1:29 pm.

C. Urban Services Committee – September 24, 2009

1. Wastewater TMDL Decision-Making Process

Councilor Hervey said staff presented three decision making processes, all involving public input:

1. Steering Committee – A citizen based group appointed by the Council or Mayor.
2. Expanded Urban Services Committee (USC) – The USC members plus stakeholders appointed by the Council or Mayor.
3. USC – Continuing the process by USC members without additional appointments.

Councilor O'Brien returned to the meeting at 1:31 pm.

Councilor Hervey explained that a steering committee would be more involved, take longer, and the cost would be higher than the other two models. The staff report includes the proposed public outreach and education plan.

**ADMINISTRATIVE SERVICES COMMITTEE  
MINUTES  
September 23, 2009**

Present

Councilor Mark O'Brien, Chair  
Councilor Hal Brauner  
Councilor Joel Hirsch

Staff

Jon Nelson, City Manager  
Steve Rogers, Public Works Director  
Ken Gibb, Community Development Director  
Fred Towne, Planning Division Manager  
Carla Holzworth, City Manager's Office

Visitors

Mike Corwin, OSU Federal Credit Union  
Amanda Dalton, Willamette Association of Realtors  
Ron Theis, University Honda  
Deborah Weaver, Willamette West Real Estate  
Bettina Schempf, Benton Habitat for Humanity  
Lyle Hutchens, Devco Engineering

Mysty Rusk, Corvallis-Benton Chamber Coalition  
Ron Loe, Woodcastle Furniture  
Andrew Martin, Corvallis resident  
Mike Moore, Chateau Construction  
Pat Lampton, Inkwell Home Store

**SUMMARY OF DISCUSSION**

Agenda Item	Information Only	Held for Further Review	Recommendations
I. Alternative Funding Sources for Transportation			Approve staff's proposed transportation funding assessment process and designate the Administrative Services Committee to receive public comments.
II. Land Development Code Fees Review		*	
III. Other Business	*		

Chair O'Brien called the meeting to order at 3:30 p.m.

**CONTENT OF DISCUSSION**



I. Alternative Funding Sources for Transportation (Attachment)

Mr. Rogers noted upcoming changes in transportation funding as outlined in the staff report. An assessment of resources and demands is needed to address future needs. Staff proposes a two-phase process. The first phase would address re-authorization of the Transportation Maintenance Fee (TMF) and the second would address transit funding, street trees, the sidewalk safety program, and projects related to pedestrian/bike programs. Mr. Rogers noted that the Council sustainability work item of localizing power generation contributions may also come forward in Phase 2, as it could involve the utility bill and the Energy Strategy Ad Hoc Committee will have completed its work. Phase 2 is proposed for winter or early spring when the outcome

of the State gas tax legislation will likely be known. If the matter is referred to the voters, the outcome will not be known until May. Staff recommends public comments being funneled through the Administrative Services Committee and forwarded to Council.

Councilor Brauner agreed with the approach and noted advisory committees that have considered other financing sources have supported renewal of the TMF first. He added he would like to see the matter resolved before the end of this Council term. Councilor Hirsch agreed and said he supports renewal of the TMF.

The Committee unanimously recommends that Council approve staff's proposed transportation funding assessment process and designate the Administrative Services Committee to receive public comments.

II. Land Development Code Fees Review (Attachment)

Mr. Towne distributed additional public comments received to date (Attachment A).

Mr. Gibb provided background, noting the fees are reviewed annually per Council policy. Previously, costs to review specific land use applications were split equally between the applicant and the General Fund. An extensive review was conducted in 2008. At that time, Council directed staff to move, in 10% increments, to a full recovery model until 100% was reached, with the understanding annual reviews would occur before another increment was authorized. Current fees reflect 60% of the cost being borne by the applicant and 40% by the General Fund. Today's meeting is to solicit public feedback about whether to move to 70% cost recovery or to retain 60% cost recovery for another year. Mr. Gibb reminded the Committee that the cost recovery is on current planning and does not include long-range planning and administrative overhead.

Referring to the staff report distributed at the August 19, 2009 Administrative Services Committee meeting, Mr. Towne noted a correction. At the bottom of Table 3, under General Development, the column heading should read 70% of Cost, not 60%. Mr. Gibb added the review is based on five years of experience. He reminded the group that the level of effort is calculated for the Planning division only. It does not include reviews conducted by Engineering, Parks and Recreation, Fire, or other departments. The fees are also based only on the cost to review specific applications. At 70% cost recovery, fees are estimated to cover about 14% of the overall cost to operate the Planning division. The majority of financial support for the Planning division comes from the General Fund. Mr. Gibb noted the current fee schedule reflects zero cost for historic preservation applications to encourage participation in the review process. He noted the Legislature did not pass a cap on land use appeal

## MEMORANDUM

August 31, 2009

To: Administrative Services Committee  
From: Steve Rogers, Public Works Director  
Subject: Transportation Funding

### Issue

Staff requests City Council direction regarding a process to assess transportation funding demands and resources.

### Background

Transportation funding was last reviewed in 1999 and 2000. At that time, the Mayor appointed a task force that, over 16 months, reviewed the level of service provided in the street maintenance, sweeping, transit and bicycle facilities areas; the current and projected level of funding from established sources; and the potential for stable future funding of a variety of new, alternative sources. The Task Force made several recommendations to the City Council and Budget Commission. The major outcomes were:

- Reduction in service levels for, or elimination of, a variety of street maintenance activities, totalling approximately \$350,000 in savings.
- Allocation of 35% of street lighting expenditures to the Street Fund, from the General Fund.
- Allocation of 75% of street cleaning expenditures to the Storm Water Fund, from the Street Fund.
- Creation of a new revenue source, the Transportation Maintenance Fee, to generate approximately \$400,000 annually.
- Continued reliance for transit funding on energy tax credits as an alternate funding source.

Subsequently, the City Council has discussed funding/policy changes that could impact demands on Street Fund resources. These include

- the safety sidewalk program,
- transit service hours and a no-fare policy,
- street trees, and
- alternate transportation modes.

In addition to these areas, residents have identified maintenance needs for local streets as a priority for Street Fund resources and staff has identified the backlog of street-related CIP projects as an area with unmet needs. The City Council-selected sustainability action items for transportation could also compete for resources as staff attempts to increase transit use, encourage more bike use and promote electric vehicle use.

The resource side of the equation faces potential changes on the horizon as well. The Transportation Maintenance Fee is scheduled to sunset by ordinance on June 30, 2011, potentially reducing funding by \$400,000 annually. The 2009 State Legislature approved an increase to fees in the Highway Fund that would result in another \$1,100,000 annually to the City, beginning in January, 2011. However, this new funding may be challenged through a referendum as early as the May 2010 ballot.

**Discussion**

An assessment of transportation funding demands and resources is needed to address the identified service area expenditures and future funding situation. Staff proposes a two-phase process to accomplish this assessment.

The first phase would address re-authorization of the Transportation Maintenance Fee, to include, the level of the fee, the uses for the funds (local, neighborhood collector, collector and/or arterial streets), and the time limit, if any.

The second phase would address funding for transit (expanded and/or free); street trees, the sidewalk safety program and bike/pedestrian projects and programs.

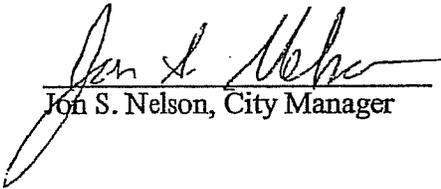
For each phase, staff proposes that the Administrative Services Committee be the body to receive information from staff and input from the public, to deliberate on the options, and to make recommendations to the City Council.

A proposed public outreach plan and Committee schedule has been developed for both phases (attached).

**Recommendation**

That Administrative Services Committee recommend to the City Council the process for the Phase One and Two transportation funding assessment, and provide input on the public outreach plans.

*Review and concur,*

  
\_\_\_\_\_  
Jon S. Nelson, City Manager

## Transportation Funding Assessment Process

### Public Outreach Plan - Phase One

<i>Action Item</i>	<i>Methodology</i>
Report on success of current TMF program	Press release, City newsletter, website
Report on characteristics of new, proposed TMF program	Press release, City newsletter, website
Announce public input opportunity at ASC meeting	Paid ad in GT, City newsletter, website
Notify original Task Force members about proposed changes	Direct mailing

### Public Outreach Plan - Phase Two

<i>Action Item</i>	<i>Methodology</i>
Disseminate 'briefing paper' summarizing the issues related to the new demands for funding	Press release, City newsletter, website
Request input from stakeholder commissions	Attend the regular meetings of: Transit, Bike/Ped, Urban Forestry, and Parks and Recreation
Request input from the public	Press release, City newsletter, website
Provide information to Administrative Services Committee over 2-3 meetings	Meeting #1 - review briefing paper and receive Commission input Meeting #2 - receive public input Meeting #3 - generate recommendations

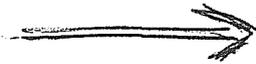
C. Staff Reports

City Manager Nelson noted that another Brooklane Heights development appeal has been filed with the Land Use Board of Appeals.

2. Council Request Follow-up Report – February 25, 2010

Mr. Nelson said the report includes information about roadway and sidewalk maintenance responsibilities on the Oregon State University campus.

Mr. Nelson announced that the 2009 City Report Card was released last week. The report blends information from performance measurements with other cities and results from the Citizen Survey organized into Vision 2020 categories. He commended Assistant City Manager Volmert and staff for their efforts.



1. Sustainability Initiatives Funding briefing paper

Mr. Nelson said the Administrative Services Committee (ASC) will begin work on various sustainability, energy, and transportation initiatives this spring. Public Works Director Rogers compiled information about the transit system, sidewalk improvement process, urban forest, alternative modes, pedestrian, and future energy-related items in the briefing paper. Staff will solicit feedback from stakeholders prior to the ASC discussions. He encouraged Council to direct questions to him or Mr. Rogers. Component feedback can be directed to ASC members. Mr. Nelson commended City staff for their efforts in documenting the initiatives.

In response to Councilor Hamby's inquiry, Mr. Nelson explained that there will be opportunities for the public to comment at the stakeholder and Council levels.

Mr. Rogers announced that an article will be published in the April edition of the City newsletter requesting public comment.

Councilor Daniels added that staff previously indicated requests for public comment would be included on the City's Web page, Government Access Television, and the local newspaper. The public is encouraged to submit written comments or attend the ASC public hearing on April 21. She encouraged the public to keep an open mind, seek additional information, and discuss concerns with staff or Councilors when reading through the materials. The briefing does not include background information.

Councilor Beilstein said he is impressed with the quality of the report and proposed effectiveness of the initiatives with minimal funding. He requested clarification on the time line and whether implementation will affect the 2010-2011 budget.

Councilor Brauner reiterated that ASC will accept public comment on April 21 and deliberate on May 5. Council will consider recommendations on May 17. The recommendation could impact the 2010-2011 budget which can be further discussed

during budget deliberations. The earliest an ordinance could become effective is July 2010.

VIII. & IX. STANDING COMMITTEE REPORTS AND ORDINANCES, RESOLUTIONS, AND MOTIONS

A. Human Services Committee – February 17, 2010

1. Social Services Semi-Annual Report

Councilor Beilstein commended the non-profit agencies for their valuable use of City funds and work quality.

Councilors Beilstein and Brown, respectively, moved and seconded to accept the Social Services first semi-annual report for Fiscal Year 2009-2010. The motion passed unanimously.

2. Municipal Code Review: Chapter 5.03, "Offenses" (Busking)

Councilor Beilstein referred to the memorandum from Deputy City Attorney Brewer related to busking. He noted that the Oregon State Attorney General's Office requested an opportunity to comment on the busking ordinance. In anticipation of receiving written materials from the Attorney General's Office, no action will be recommended at this time.

Councilor Beilstein said approximately 20 people, including a few downtown merchants, testified at the Human Services Committee (HSC) meeting. One downtown merchant (Keta Tom) was not opposed to expanding the busking area, but thought it should be more tightly controlled. A downtown landlord (Hugh White) said the City should identify space for buskers, similar to the sidewalk café delineations. Remaining testimony was based on the "goodness" of busking and how the City is restricting civil rights by not allowing it everywhere. The Library Board, Downtown Commission, and PNARB all submitted written testimony opposing changes to the busking area.

Councilor Beilstein said he is convinced the ordinance is not enforceable. The ability to enforce the ordinance hinges on performing with intent to induce others to give alms. It can only be enforced if there is absolute proof a performer is doing so with the intent to obtain a contribution. To establish a clear violation in the court system would be difficult. Obvious intent would include displaying a sign requesting money. There is no violation if a person feels moved to provide a donation to a performer.

Councilor Beilstein said HSC recommended a few administrative amendments.

Councilor Beilstein noted that prior to the HSC meeting, he stood outside of the building playing his ukelele and displaying a "please take generously" sign. He was not violating the ordinance because he was not performing with the intent of

**Sustainability Initiatives Funding**  
**Briefing Paper**  
February 2010

For the last several years, the City Council has included sustainability in the overarching values that guide City operations in the community. This year, they also set a specific goal to “develop community sustainability policies and implement selected actions”. Working toward this goal, the Council requested staff review of five sustainability initiatives. This briefing paper describes those initiatives and suggests possible funding models.

**Background**

In 2008, the Corvallis Sustainability Coalition, a network of partner organizations working to create a sustainable community, conducted a series of town hall meetings to gather public input on a possible roadmap to achieve this goal. The result of the effort, a *Community Sustainability Action Plan* containing over 300 action items in 12 topic areas, was presented to the City Council in December 2008.

Using this public input as a starting point, the City Council discussed the parameters of a community sustainability program over several meetings and decided to focus their efforts on two areas—energy and transportation. In September 2009, an Energy Strategy Ad-hoc Committee was formed to create a community energy strategy and to compile a listing of the community energy sustainability policies from various planning documents adopted by the City Council over time. The Ad-hoc Committee completed their work in December 2009.

The Community Energy Strategy outlines a ten-year plan to achieve community energy objectives in the built environment and transportation arenas. It contains a number of goals and ‘next steps’ that are a culmination of discussions at the Council level on promoting activities that conserve energy, use renewable energy sources and/or support local clean-energy businesses.

The City Council has asked staff to further develop five of these initiatives and to recommend possible funding sources for their consideration. It should be noted that the revenue generation estimates included below have varying methodology bases that will receive further attention as this project proceeds.

**Discussion**

***Transit Service***

Bus service provides many sustainability-related benefits, such as reducing the use of single-occupancy vehicles and the associated congestion and greenhouse gas emissions, and providing mobility to segments of the population who either can’t afford or choose not to own an automobile. The Community Sustainability Action Plan has four items directly related to transit service, which call for, among other things, an expansion of the hours of operation and an elimination of the fare. The Community Energy Strategy has a goal to increase transit ridership and a ‘next step’ to implement the transit system long-range plan, called the Transit Master Plan.

In addition to addressing these sustainability objectives, the City Council is interested in providing a stable, dedicated funding source for transit operations. Currently two of the major sources of revenue are property taxes—which are not dedicated to the transit system and can be reassigned to other services—and the Business Energy Tax Credit—which is a State program that can be modified or eliminated during any legislative session. Even modest changes to the amount of funding from either of these sources could result in a reduction in transit service. The development of a dedicated revenue source would ensure that the current level of service is maintained and provide a mechanism to expand service hours and frequency.

The Transit Master Plan identifies a desired level of service that is double the current level. An increase in service hours could translate to better route frequencies (i.e., the bus comes by every 15 minutes instead of every half hour), longer coverage (i.e., the bus routes start earlier in the morning, end later in the evening, or run on Sunday) and/or wider coverage (i.e., the bus goes to areas not currently being served). Each 10% increase in service hours costs about \$150,000 annually. Recent expansions of service hours have been used to increase the area covered and the hours of coverage, but have not adequately addressed on-time performance or system frequency. Both are important to make this transportation mode a desirable alternative to the automobile.

Currently, about 60% of transit riders board the bus without paying a fare through a number of group-pass programs. A business or employer participating in a group-pass program pays an annual fee to the City which allows their employees to ride the bus for free. Expanding this idea the entire community (i.e., free transit service) would increase transit ridership and would allow staff who now spend time managing the program to focus on other operational improvements.

The cost to replace the property tax support and fares, including the group-pass programs, is about \$745,000 per year. One mechanism to generate this revenue is to charge each property a monthly fee based on the average number of 'trips' that property type generates, similar to the basis for the Transportation Maintenance Fee. Depending on how the revenue burden was split between commercial and residential properties, the monthly fee for a single family residential customer would fluctuate, but would not exceed about \$2.50. This amount would provide sufficient revenue to operate the transit system at the current level, assuming all other revenue sources remain stable. Each 10% increase desired in the number of service hours would add up to \$0.50 per month to the base amount.

### ***Sidewalk Safety Program***

A system of sidewalks in good repair provides a viable transportation alternative to the automobile, benefitting humans and the environment. The climate in Corvallis is conducive to residents walking to shopping, entertainment, or appointments and the health benefits from walking are well-documented; so much so that walking is one of the key components of programs to reduce childhood obesity. The Corvallis Sustainability Action Plan calls for access to environments that support healthy behavior and physical activity opportunities, while the Community Energy Strategy proposes a 'next step' to maintain safe sidewalks.

The Municipal Code requires the property owner to maintain the sidewalk along their property. While this is a requirement, some property owners are not aware of it and some choose to avoid the obligation for as long as possible. As a result many sidewalks in the community are not in the best condition. The Public Works Department has a program to address these concerns in a systematic manner. Each year, City staff review a section of town to identify trip hazards or sidewalks in need of repair. Property owners are notified of the problems and given a period of time in which to correct them. For those sidewalks not repaired within this timeframe, a long, multi-step, staff-intensive process begins to compel the property owner to comply with the Municipal Code requirements. As of January 2010, there are twenty-nine unresolved cases from 2008 and twenty-eight unresolved cases from 2007. It has been difficult for staff to effectively enforce the current system in a timely manner.

Property owners have complained that the main cause of sidewalk problems are the roots from trees the City requires be put in. This is borne out by staff analysis, which concluded that an estimated 75% of the damage to sidewalks is from tree roots. Residents have suggested that the City is causing the majority of sidewalk problems and should be the one to take care of them.

One way to maintain a safe sidewalk system in an efficient manner would be for the City to take responsibility for it. Problems identified would be fixed quickly and the administrative overhead would be eliminated. To provide such a sidewalk maintenance program would require new revenues of approximately \$150,000 per year. One mechanism to generate this amount would be to charge each property in the City an equal monthly fee on the assumption that all residents and businesses benefit equally from the sidewalk system. This allocation would result in a charge of about \$0.80 per month, or \$10 per year.

### ***Urban Forestry Program***

A robust urban forest provides many benefits to a community—habitat for birds, shade to cool people and structures, improved air quality, carbon storage and increased property values. There are three items in the Community Sustainability Action Plan that relate to street trees including an item to develop and implement an urban forest protection program. The Community Energy Strategy has a ‘next step’ to implement the Corvallis Urban Forest Plan.

The City Council adopted the Urban Forestry Management Plan (UFMP) in October, 2009. The plan provides a 20-year strategic framework to focus and enhance the City’s Urban Forestry program to meet a range of policy, educational, sustainability and management goals. It offers a series of prioritized actions based on extensive stakeholder and community outreach, a number of which, along with the 5-year implementation plan, relate to the maintenance of public trees.

The priorities in the UFMP for the first five years are long-term tree care, which includes exploring solutions to street/sidewalk infrastructure damage caused by trees and performing routine pruning to reduce the blockage of street signs and obstructions to viewing traffic at intersections; City code and policy revisions to remove obstacles to proper tree care; and a tree inventory to help quantify the benefits provided by community trees in the form of energy savings, air quality improvements, storm water control, and carbon sequestration.

The Urban Forestry program's operating budget in FY 09-10 is \$21,000 and is limited to providing tree maintenance in the Downtown Business District and removing a small number of tree hazards city-wide, which is only a fraction of the total tree hazards that need to be addressed in a year. This leaves property owners responsible for the high cost of tree removal for the remaining hazards.

To implement the UFMP would require an additional \$90,000 annually. One method for allocating these costs to reflect the equal benefit provided to all from a healthy public tree system is to charge each property an equal amount. Using this allocation, the monthly fee would be about \$0.50, or \$6.00 per year.

### *Alternate Transportation Modes*

'Alternative' transportation systems are those that provide an alternative to the automobile, and typically refer to bicycle and pedestrian systems. The City has long supported these transportation modes, which promote healthy citizens, clean environments, and community interaction, and has received state and national recognition for these Corvallis programs. The Community Sustainability Action Plan has four items related to alternative modes, including one to identify 25% of the streets as candidates for non-motorized transit only. The Community Energy Strategy has a 'next step' to continue to improve bicycle and pedestrian infrastructure, such as increasing bike parking facilities and the number of pedestrian routes.

As more residents use the bicycle and pedestrian infrastructure currently available and rely on it as their primary transportation mode, there is a desire to enhance the systems to increase safety and provide wider coverage. Many projects have been developed or are under development to address this desire. For example, the recent 9<sup>th</sup> Street Corridor Plan calls for four pedestrian crossings on that street to improve safety and the City's Bicycle and Pedestrian Advisory Commission is beginning to work on a proposal to create bike boulevards, streets where motorized traffic is not allowed.

The current alternative mode program budget is only keeping pace with the maintenance required on the systems in place. There is no funding available for expansion or enhancement projects. A new fee generating \$140,000 per year would provide enough revenue over a six-year period to accomplish all of the bike boulevard, sidewalk construction, bike parking and pedestrian crossing projects currently identified for major streets in the city. One mechanism to generate this revenue is to charge each property a monthly fee based on the average number of 'trips' that property type generates, similar to the basis for the Transportation Maintenance Fee. Using this mechanism, the charge for a single family residential property would be about \$0.50 per month, or \$6.00 a year.

### *Energy Conservation and Renewable Energy Projects*

The majority of the energy consumed in Corvallis is generated from the burning of fossil fuels. Because of this, actions that reduce the amount of energy used or that generate energy from renewable sources have clear sustainability benefits for the environment and position the community to be more secure and resilient in the face of an uncertain energy future. The

Community Sustainability Action Plan has an entire topic area devoted to energy, with eight items related to actions city government can undertake to motivate residents and businesses to conserve energy or switch to renewable sources. The Community Energy Strategy has four 'next steps' that would require funding to move forward, including establishing a Community Energy Information Center and enrolling the entire community in renewable energy programs.

Both of these documents also suggest a surcharge on the City Services bill as a funding mechanism for projects. These could include providing further capitalization for the new energy revolving loan fund program to provide low-interest loans to reduce energy use through energy conservation retrofits or the generation of renewable energy through solar voltaic or solar thermal equipment installations.

One option to generate revenue for these projects is to charge about \$0.80 per month to every property in the city, for an annual revenue of approximately \$150,000. An alternative option would be to have the surcharge appear on the electric utility's bill, and possibly tie it to the amount of energy used. In that way, a reduction in energy usage would result in a smaller surcharge.

### **Conclusion**

The Corvallis community has a strong commitment to sustainability, and the City Council, reflecting that commitment, is very interested in making progress on projects that move the community to a sustainable future. The five initiatives discussed in this briefing paper take steps toward this objective. If all the initiatives were implemented using the mechanism referenced in this paper, the combined impact for a single family residential property would be about \$5.60 per month or \$68 per year.

Transit Service	\$2.50
Additional Transit Service Hours	0.50
Sidewalk Maintenance	0.80
Urban Forestry	0.50
Alternative Modes	0.50
Energy Conservation/Renewables	<u>0.80</u>
Single Family Monthly Total	\$5.60

Staff will conduct a public and stakeholder outreach process during March 2010. The input gathered from this effort will be brought before the Administrative Services Committee on April 21, 2010.

**Relevant Items from the *Community Sustainability Action Plan***

<b>Briefing Paper Initiative</b>	<b>Action Plan Topic Area</b>	<b>Action Plan Item Number</b>	<b>Action Plan Item Description</b>
Transit Service	Transportation	1.1.3	Make the systems easier to use by decreasing wait times and coordinating fares
	Transportation	1.2.1	Improve the timing of existing connections
	Transportation	2.1.1	Expand hours, frequency and range of city buses, and reduce or eliminate cost
	Transportation	3.1.2	Free, expanded transit
Sidewalk Maintenance	Health and Human Services	1.1.1	Create access for all Corvallis residents to environments that support healthy behavior and physical activity opportunities
Urban Forest	Energy	3.1.1	Establish a managed, forested greenbelt that sequesters 100% of remaining greenhouse gas emissions from energy use for Benton County
	Land Use	1.3.1	Develop incentives and regulation to protect, restore, and maintain historic and modernist neighborhoods, structures, landscapes, and trees to preserve a sense of place and uniqueness
	Land Use	2.3.1	Develop and implement tree/urban forest protection program with incentives, regulations, and penalties for unauthorized removal of significant trees
Alternative Transportation	Health and Human Services	1.1.1	Create access for all Corvallis residents to environments that support healthy behavior and physical activity opportunities
	Land Use	1.4.3	Reduce the use of motorized transit by identifying 25% of roads for conversion to non-motorized transit only and by expanding the network of multi-modal paths and public transit to connect all neighborhoods to neighborhood centers and downtown

	Land Use	2.3.3	Improve exiting natural corridors and create a web of bio/modal connections throughout the city. These corridors will incorporate paths for pedestrians and non-motorized vehicles
	Natural Areas	3.2.2	Create and maintain a functional network of paths and trails to and between natural areas
Energy	Energy	2.1.1	Offer financial incentives to encourage photovoltaic installations on new and existing structures
	Energy	2.2.1	Encourage installation of large photovoltaic systems by offering greater incentives
	Energy	2.2.2	Encourage large photovoltaic installations by creating a financial system where individuals can invest in offsite/remote systems
	Energy	2.3.3	Investigate local potential for biological sources of electrical energy production
	Energy	3.3.1	Establish Corvallis surcharges on energy utilization to pay for greenhouse gas elimination
	Energy	3.3.2	Establish grant programs for greenhouse gas projects
	Energy	3.3.3	Structure a resource center for energy sustainability to provide citizens with information on conservation, renewable energy and greenhouse gas sequestration

### Relevant Items from the *Community Energy Strategy*

Briefing Paper Initiative	Strategy Component	Strategy Goal	Strategy Next Step
Transit	Conservation and Efficiency/ Transportation	Increase transit ridership; reduce single-occupancy vehicle trips	Implement long range planning for Corvallis Transit System; work with regional partners to develop regional transportation system designed to serve commuters.
Sidewalk Maintenance	Renewable Energy/ Transportation		Continue to improve bicycle and pedestrian infrastructure such as increasing bike parking facilities, more frequent crosswalk repainting, maintaining safe sidewalks, increasing number of pedestrian routes and general safety of bike routes.
Urban Forest	Local Clean Energy/ Built Environment		Implement Corvallis Urban Forest Plan.
Alternative Modes	Renewable Energy/ Transportation	Increase the number of community members who regularly bike, walk, or use other non-gas-powered transportation.	Continue to improve bicycle and pedestrian infrastructure such as increasing bike parking facilities, more frequent crosswalk repainting, maintaining safe sidewalks, increasing number of pedestrian routes and general safety of bike routes.
Energy	Conservation and Efficiency/ Built Environment		Seek ways to expand and/or extend the reach of the energy efficiency revolving loan program; establish a Community Energy Information Center.
	Renewable Energy/ Built Environment		Enroll entire community in renewable energy programs provided through existing energy suppliers; promote and encourage installation of renewable energy capability in highly visible public and private buildings.

Stan Nudelman stated that, according to Public Works Department staff, 141 parking permits would be issued for the proposed parking district, and 118 parking spaces are available. He liked USC's suggestion of transferrable parking permits for part-time employees. He distributed and reviewed written testimony (Attachment I). He reported that development of a new sports park at OSU will result in the loss of 60 parking spaces. He acknowledged the needs of City employees and OSU students and staff and the need for long-term solutions. He is seeking an immediate solution for a unique neighborhood. He hopes to develop a long-term solution.

Councilor Beilstein does not support parking districts but would support the proposal as a request from residents and businesses of the neighborhood. Residents of the City's current residential parking districts have told him that their parking permits have no benefit if a resident leaves the neighborhood mid-day. These circumstances decrease his support for parking districts. The ultimate solution may be parking structures to accommodate large numbers of vehicles in areas used by many people. He surmised that Mr. Nudelman was confident that enacting the proposed parking district would be considered positive by residents and businesses within the neighborhood.

Mr. Nudelman confirmed. He said Mr. Rogers acknowledged that parking district residents may not be able to find on-street parking after leaving the district midday; however, the existing districts have improved the parking situations in their neighborhoods. Residents of the current parking districts agree that the situation is better – they do not have guarantees of parking, but the situation has improved.

Councilor Beilstein said he would support the parking district, as it was requested by residents and businesses of the neighborhood.

VIII. & IX. STANDING COMMITTEE REPORTS AND ORDINANCES, RESOLUTIONS, AND MOTIONS



B. Administrative Services Committee – May 5, 2010 – Continued

2. Sustainability Initiative Fees

Mr. Nelson clarified that ASC received public testimony April 21; those minutes, including Ms. Griffiths' written testimony, were presented to the Council May 3. The Council's packet tonight includes ASC's May 5 deliberation minutes.

Councilor Hirsch reported that he did not attend ASC's April 21 meeting but reviewed an audio recording of the meeting and reviewed the minutes and written testimony (including Ms. Griffiths' testimony) submitted at the meeting.

Councilor Raymond said she would like to know the legality of the proposed SIFs.

Councilor Hirsch reported that the Committee reviewed the proposed SIFs. The Committee, by majority but non-unanimous vote, supported three of the five fees.

Mr. Fewel reviewed the Sturgis Rules of Order regarding "tabling" decisions.

Mayor Tomlinson recessed the meeting from 8:55 pm until 9:02 pm.

Councilor Hervey commented that the Council was considering measures of significant interest to Corvallis citizens. He acknowledged that he was not sympathetic to arguments opposing new taxes. He believes the decision for or against fees or taxes involves the question of whether the measures provide citizens with value for their money and whether the measures are worth the cost. The proposed SIFs gained interest from various segments of the community. The Council was presented with a collection of proposals, some of which were closely aligned with sustainability and some of which garnered considerable public input. He believes the proposed SIFs lack specifics. He said it would be difficult for him to defend his support of the SIFs without using vague statements and would prefer opposing the SIFs. He strongly advocates sustainable practices in their purest form, making it objectionable to oppose something characterized as sustainable. He may support some of the proposed SIFs tonight; however, he believes the Council should discuss the proposed SIFs in a work session to find some common ground and proceed with proposals with specifics that demonstrate clear value to Corvallis citizens.

Councilors Hervey and Brauner, respectively, moved and seconded to postpone the sustainability initiative fees proposal until the next Council meeting after the Council conducts a work session to discuss the measure but not later than July 19.

Mr. Fewel cautioned that Council members could only discuss the time set for postponing the issue.

Councilor Hamby noted that the Council will conduct a work session June 14. He asked Council members whether they would want to conduct another work session one or two weeks later to meet the July 19 deadline stated in the motion.

Councilor Hervey said he hesitated postponing a decision too long, as some of the proposed SIFs are time sensitive. He would like the shortest workable timeframe, given the requirements for noticing meetings.

Councilor Brunner said he seconded the motion, assuming the Council could add the SIF proposal to the June 14 work session agenda. Some existing agenda items may require initial discussion and follow-up work session discussions. Some of the SIFs could impact other work session agenda issues. He believes the SIFs can be added to the June 14 work session agenda.

Councilor Hamby asked why the proposed SIFs are time sensitive. The June 14 work session agenda includes discussion of important budget issues for the next two years.

Councilor Brown concurred with Councilor Hamby that the budget is the most important issue for the Council and should be discussed before the Council undertakes the proposed SIFs, which can have implications on future budgets and a possible operating levy. He referenced testimony tonight requesting a Council public hearing and clarification of the sustainability initiatives. He would like a

timeframe that would accommodate a public hearing, clarifications, and consideration of the budget before the SIFs are considered.

Councilor Beilstein express opposition to the motion, as he will be absent from the July 19 Council meeting. He does not want the Council decision made while he is absent.

Councilor Daniels said her biggest issue about the motion does not involve a specific proposed sustainability initiative. She noted that the Budget Commission recommended a budget last week with no changes, despite Commission desires otherwise. The budget includes staffing reductions and decreases in funding for basic City programs and core services. The SIFs are being considered in the context of a reduced budget. She noted that Mr. Nelson requested Council direction regarding the City's future financial situation, but she does not know when that discussion will occur. She is unwilling to vote on the proposed SIFs until the Council discusses the financial issues.

Councilor O'Brien concurred with Councilor Brown that the impact on budget capacity is fundamental to his objection to the proposed SIFs. He will support an amendment to extend the timeline for Council discussion.

Councilor Hervey said some Councilors seemed to assume that the Council would attempt to discuss all issues at the June 14 work session, which he agreed was too much to accomplish in one work session. He intended for the Council to have a separate work session regarding the proposed SIFs. He would not hesitate to schedule two work sessions in the same month or week to proceed with the proposed SIFs.

Councilor Brauner opined that the Council could address the proposed SIFs at the June 14 work session, but he would not oppose a separate work session. He cautioned that postponing the issue to a specific date does not mean the Council must make a decision on the issue. When the postponement date arrives, the Council could decide to conduct a public hearing or postpone the issue again. The postponement means the issue returns to the Council for action. He believes some of the proposed SIFs could impact the budget discussions. He would prefer discussing the SIFs sooner than Councilor Hervey's proposed July 19 deadline, but he agreed that the timeframe would allow Councilors to obtain additional information and decide whether to conduct a public hearing or take action.

Councilor Hervey said he would consider a friendly amendment to slightly adjust the timeline to accommodate Councilor Beilstein's scheduled absence.

Councilor Brown asked whether the postpone must have a specific calendar date or a conceptual date after a process is complete.

Mr. Fewel stated that the postponement must be to a time certain, which will return the issue to the Council's meeting agenda without need for a Council motion and majority approval to do so.

Councilor Beilstein said he will return from vacation August 16; he will miss the July 19 and August 2 Council meetings.

Councilors Hervey and Brauner accepted a friendly amendment to extend the timeline to August 16. Councilor Brauner noted that the extended timeline would allow for another Council work session and implementation of any approved SIFs. ASC recommended implementation February 1, 2011.

Councilor Brown said he would have chosen early-September for the postponement timeline. He expressed concern about allowing time for a public hearing and sustainability initiative clarification.

Councilor Hamby again asked why some of the proposed SIFs are time sensitive, other than possible impacts on the budget. He asked if the process was being expedited because of budget impacts.

Councilor Hervey responded that rebates and tax credits are available for photovoltaic installations, which can greatly decrease costs. If the City implements the energy-related SIF, there would be a means for residents to be informed of the rebates and tax credits while they are still available. If the Council's actions on the proposed SIFs are postponed indefinitely, the City might not have a program operating in time for citizens to be informed of the rebates and tax credits; and the City would not be providing the potential service that the proposed SIF would allow. This is one example of how delaying Council action regarding the proposed SIFs would not allow the City to provide the benefits to Corvallis citizens that he is attempting to achieve by working toward common ground about presentations to the Council.

Councilor Brauner commented that the largest share of the proposed transit-related SIF would eliminate the General Fund subsidy of transit service. This directly relates to the budget, and the Council would need to know soon whether the subsidy would be needed in the Fiscal Year 2011-2012 budget.

The motion passed nine to zero on the following roll call vote:

Ayes: O'Brien, Hervey, Raymond, Brauner, Hamby, Brown, Hirsch, Beilstein, Daniels

Nayes: none

Mayor Tomlinson stated that discussion of the proposed SIFs will be added to the Council's August 16 meeting agenda. He will ask Assistant to City Manager/City Recorder Louie to schedule a work session during the next month or so for the Council to discuss the SIFs.

 II. Sustainability Initiative Fees (deliberations) (Attachment)

Ms. Steckel distributed copies of feedback received since the April 21, 2010 Administrative Services Committee meeting (Attachment A), Initiative Fee Examples (Attachment B), Supplemental Information for Other Oregon Communities' Fees (Attachment C), and US Regional Gas Prices and Inventories (Attachment D). Attachments B and C were provided in response to questions asked in Councilor O'Brien's May 2 email (Attachment E).

Referring to Attachment B, Mr. Rogers reviewed the methodology for calculating the potential rate on 16 local businesses. The Urban Forestry, Sidewalk Safety, and Energy Conservation/Renewables components have a flat rate, which is derived from dividing their respective proposed annual amounts by the number of City utility accounts (approximately 15,000). However, proposed rates for the Transit and Alternative Modes components are based on trip generation and are further broken down by varying residential and commercial ratios. Trip generation data was drawn from the Institute of Traffic Engineers (ITE) manual. Mr. Rogers explained that the downtown area is treated as a shopping center, which bases trip generation data on a business' square footage. In response to Councilor O'Brien's inquiry, Mr. Rogers clarified that the American Dream reference is for the Monroe Street location, not the downtown restaurant.

Mr. Rogers said three options are presented for calculating the rate. Each takes the funding amount needed and allocates it prior to the trip generation calculation between the residential and commercial ratios. If this methodology is disregarded and only trip generation is used, the result would be close to the 25% residential, 75% commercial calculation. Mr. Rogers said when the methodology for the Transportation Maintenance Fee (TMF) was discussed, Council did not support using the trip generation rate. Instead, they directed staff to include the 75% residential, 25% commercial ratio to calculate the rate. Staff recommends treating any fees being assessed the same way as the TMF.

In response to Councilor O'Brien's inquiry, Mr. Rogers said the Circle K store shown in the handout is not the Monroe Street store. Staff included it in the spreadsheet to show the difference between a business in the shopping center category compared to a business with a high trip generation rate.

In response to Councilor Brauner's inquiry, Mr. Rogers said the trips data shown in Attachment B came directly from the TMF database.

In response to Councilor O'Brien's observation that Home Depot would not benefit from enhanced transit because customers who ride the bus would not purchase large items like lumber, Councilor Brauner noted that Home Depot would receive an offset to its property taxes.

Mr. Rogers said another option to consider is tying the level of transit funding to an annual gas price site index (Attachment D). The difference between the price of gas and a pre-established floor value could be allocated to expand transit. In response to Councilor O'Brien's inquiry, Mr. Rogers said an index for diesel could be used, but his intent was to use changes in prices as a revenue source for expansion, not necessarily as a tie to the cost of fuel for buses.

Mr. Rogers noted the fareless transit figure was calculated to cover existing property tax amounts in the transit system funding, along with fares. Another option is to consider rates that would only cover the property tax amount. This would be about \$1.52 for a single family residence, or 63% of what is currently proposed.

Mr. Rogers said staff requests direction about which fees, if any, should be pursued; methodology; fee escalation method, if any; the timing of fee implementation; whether to implement the fee through an ordinance or a vote; and whether there will be any exceptions by property type or customer class.

In response to Councilor O'Brien's inquiry, Mr. Rogers said he believes most of the cities surveyed collect fees through utility billing, but none reflect the use of fees for transit support. He added that over half of the transit systems in Oregon are run by transit districts and funding is typically generated through payroll taxes. The other systems are primarily property tax supported. Mr. Nelson noted that staff tried several times to extend regional transit payroll tax authority to municipal services, but it did not move forward in the legislature.

Councilor Brauner suggested considering each of the fees separately rather than as one initiative. Chair Hirsch agreed, but Councilor O'Brien said the fees came to the Committee as a package and he prefers making a single recommendation to Council. He did, however, indicate a willingness to discuss the merits of each initiative. Councilor O'Brien opined that if a referendum is made, it is not fair that voters should have to challenge five separate initiatives. Chair Hirsch disagreed, noting that the initiatives have varying degrees of public support and it makes sense to approach them separately.

Councilor Brauner said he supports considering them separately because the fees were generated from different places. He believes it is acceptable to show the potential impact to utility bills, but the recommendation does not have to be all or nothing. Councilor Brauner agreed that public testimony varied; he opined that all of the initiatives have value, but perhaps not all should be pursued at this time.

**Energy Conservation Renewables:** Councilor Brauner noted the Energy Conservation Renewables fee came directly from the Energy Strategy Committee, it raised many questions that have yet to be answered, and he believes it is not ready at this time. Councilor Brauner moved to recommend that Council table the Energy Conservation fee for one year or until the Corvallis Sustainability Coalition (CSC)

brings forward a recommendation and better clarification of how the funding would be used. In response to Councilor O'Brien's inquiry, Councilor Brauner said the initiative was brought forward by the Mayor and it came from the Sustainability Coalition's efforts through the Energy Strategy ad hoc group. He would like more clarification from them instead of putting the matter back on staff.

Councilor O'Brien said he is not clear why any of the initiatives are being attributed to the CSC plan. He noted the CSC wasn't consulted on any of the initiatives, no particular aspect of their plan was accepted by the Council, and it is not certain the CSC would have supported these particular initiatives. Councilor Brauner said he was tying the Energy initiative to the CSC because this particular one came from the plan and the Ad Hoc committee. He added that two of the three citizen members on the Ad Hoc committee were from the CSC.

Recognizing Councilor O'Brien's concern about tying the motion to an outside group, Councilor Brauner modified his original motion to recommend tabling the Energy Conservation Renewables fee for one year or less if the Council feels there is a better definition of how the money would be used and how the Energy Center would be set up. Councilor O'Brien made a friendly amendment to include concerns about the economy. Councilor Brauner agreed it is a factor, but it is not the reason he recommended tabling the initiative. Councilor O'Brien seconded Councilor Brauner's motion, reiterating the essence of the motion relates to the initiative not being adequately developed.

**By a vote of two to one, with Chair Hirsch opposing, the Committee recommends** Council table the Energy Conservation Renewables fee for one year or less if the Council feels there is a better definition of how the money would be used, specifically the purpose of the Community Energy Information Center.

***Sidewalk Safety Program:*** Councilor Brauner opined the sidewalks initiative is about finding a more equitable way to fund repairs in the public right-of-way, similar to streets and curbs. Councilor Brauner moved to recommend that Council approve the proposed fee of \$0.80 per property for Sidewalk Safety Program for sidewalks along City-owned streets. He clarified that his motion ensures it is clear the fee would not pay for sidewalk repairs on the Oregon State University campus. Councilor O'Brien noted there is an existing and enforceable ordinance and he believes it is a bad time to adopt the sidewalk initiative due to the poor economy. He added there was public testimony at the Planning Commission that noted the difficulty to tying sidewalk repairs to sustainability. Chair Hirsch said it is unfortunate that all of the initiatives are grouped as elements of sustainability. While he believes each initiative is important, he thinks it is confusing to label all of them as such. Chair Hirsch seconded the motion.

**By a vote of two to one, with Councilor O'Brien opposing, the Committee recommends** Council adopt a fee of \$0.80 per month per property for the Sidewalk Safety Program for sidewalks along City-owned streets, effective February 1, 2011.

**Transit Service:** Councilor Brauner said the proposed Transit fee would eliminate funding through property taxes, group pass fees, and fare boxes and instead allocate costs based on trip generation, similar to the Transportation Maintenance Fee. He noted it would be a trade off for the many large employers who already support Transit through group passes. He added the fee should be structured to handle increased ridership that will likely come when gas prices rise. Councilor Brauner proposes establishing a base fee that is tied to the average price of gas with a floor on the amount. Additional revenue generated when gas prices go up could be used to expand services, such as increased route frequency. He supports a Transit fee that has no property tax subsidy and no fare for riders.

Councilor O'Brien observed there is no evidence that such changes will increase ridership and he supports riders paying a fare. In response to Councilor O'Brien's inquiry, Councilor Brauner said the \$250,000 amount discussed at Budget Commission reflected a one-time reduction in the Transit budget. Mr. Nelson said to get back to meeting federal match requirements, the blended average amount needed is estimated at \$450,000 per year.

In response to Councilor O'Brien's inquiry, Councilor Brauner agreed the change would somewhat shift who pays for Transit. He noted property taxes are based on property values and there are many properties such as schools and hospitals that are exempt, but generate a high number of trips. Shifting to a trip generation basis is more congruent with usage and parallels the TMF methodology. The City does not have the option to collect the revenue through payroll taxes. Mr. Nelson added that expanding the payer base catches those who enjoy the service, but do not pay property taxes; this is becoming more common in other Oregon cities. The action also mitigates further reductions to transit, as well as other property tax supported services.

Councilor Brauner moved to recommend that Council adopt a Transit fee based on the Transportation Maintenance Fee allocation system in the amount of a base fee of \$2.75 or the price of gasoline from the previous annual indexed price per gallon of gasoline, whichever is higher, and that the fee be used to replace group pass programs, fare boxes, and property tax subsidies for the transit system effective February 1, 2011. Councilor Brauner said he chose the February date to coincide with utility rate adjustment timing. It also starts the fee in the middle of the next budget year, which already reflects proposed reductions so a full subsidy would not be needed. Chair Hirsch seconded the motion.

In response to Mr. Rogers' request for clarification, Councilor Brauner said his motion reflects the \$2.75 per single family residence base rate. He further clarified that his motion combines the fareless and expanded transit elements.

In response to Councilor O'Brien's inquiry, Mr. Rogers said the fee would cover the cost regardless of Oregon State University's (OSU) participation. OSU still may be

inclined to continue offering a negotiated contribution because expansion of the transit system is important to the University.

Councilor O'Brien said he supports Transit, but not fareless transit. He emphasized that implementing the fee is not a long term solution and it will not reduce property taxes. Instead, it will increase overall costs for residents. Chair Hirsch noted there is no good time to implement fees and it does provide relief to the General Fund.

**By a vote of two to one, with Councilor O'Brien opposing, the Committee recommends** Council adopt a Transit fee, based on the Transportation Maintenance Fee allocation methodology, in the monthly base fee amount of \$2.75 or the previous indexed annual price per gallon of gasoline, whichever is higher, and use the fee to replace the group pass program, fares, and property tax subsidies for the transit system effective February 1, 2011.

***Urban Forestry:*** Councilor Brauner thanked the Commission on Civic Beautification and Urban Forestry (CBUF) and the Parks, Recreation, and Natural Areas Board (PNARB) for their work. While he thinks the initiative is worthy, he accepts CBUF's and PNARB's recommendations to table it at this time. Councilor O'Brien seconded. Chair Hirsch opined that of the five initiatives, urban forestry most closely relates to sustainability and he expressed support for adopting the fee.

**By a vote of two to one, with Chair Hirsch opposing, the Committee recommends** Council table the Urban Forestry initiative until Council wishes to pursue it based upon a recommendation from the Commission on Civic Beautification and Urban Forestry and the Parks, Recreation, and Natural Areas Board.

***Alternative Modes:*** Councilor Brauner said his logic from the Transit discussion applies to Alternative Modes. He opined it is a minimal fee to reduce demand on City streets.

In response to Councilor Brauner's inquiry, Mr. Rogers said the \$0.50 fee mentioned in the original staff report was preliminary; the \$0.45 fee presented at today's meeting is correct.

Councilor Brauner moved to adopt an Alternative Modes fee at the base level of \$0.45 using the same allocation methodology as the Transportation Maintenance Fee, effective February 1, 2011. Chair Hirsch seconded.

Councilor O'Brien said he does not believe the Alternative Modes initiative is more valuable than Urban Forestry. He opined there are no specific projects named in the proposal and based on previous economic concerns, he does not support the initiative.

Councilor Brauner said there are worthy projects and he believes the fee is minimal. He said he personally believes the Alternative Modes and Urban Forestry initiatives

have equal value, but he accepted the CBUF and PNARB's position to not support the Urban Forestry fee at this time. Chair Hirsch expressed support for the Alternative Modes proposal.

Mr. Rogers agreed there are several unfunded projects in the CIP that could be accomplished using revenues from this fee, including a pedestrian crossing at Walnut Boulevard.

**By a vote of two to one, with Chair O'Brien opposing, the Committee recommends** Council adopt the \$0.45 Alternative Modes fee effective February 1, 2011.

Councilor O'Brien said each of the initiatives have merit on their own and he wishes Corvallis could afford all of them, but he thinks adopting the fees will damage the Council's credibility and make it difficult to get project support in the future.

Councilor Brauner opined the community does value and support the initiatives. He said he was elected to do what he believes is best for the City's future and these types of amenities are what makes Corvallis unique.

Chair Hirsch noted Councilor Brauner's comment from the previous meeting regarding the City fund that is available to assist those who cannot afford the fees. The fund receives money from voluntary donations, not property taxes.

In response to Mr. Nelson's inquiry, the Committee agreed Council should set a review cycle. Committee members discussed the merits of Council action versus referring the matter to voters, as well as separate versus one ordinance. The issues of review period and ordinance(s) or vote(s) will be discussed by Council based upon Council direction on the initiatives.

City Manager Nelson noted that the proposed sustainability fees were not driven by staff; Council specifically directed development of the proposals.

[Councilor Raymond's May 5 email to the Administrative Services Committee is included as Attachment F.]

### III. Other Business

The meeting adjourned at 5:22 pm.

The next regular Administrative Services Committee meeting is scheduled for 3:30 pm, Wednesday, May 19, 2010 in the Madison Avenue Meeting Room.

Respectfully submitted,  
Joel Hirsch, Chair

## Agenda Request for SIF work session

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- *To:* "Nelson, Jon" <Jon.Nelson@xxxxxxxxxxxxxxxxxxxx>, "cc" <ward3-Web-Archive@xxxxxxxxxxxxxxxxxxxx>, "Charles Tomlinson" <mayor@xxxxxxxxxxxxxxxxxxxx>, "Dan Brown" <ward4@xxxxxxxxxxxxxxxxxxxx>, "David Hamby" <ward8@xxxxxxxxxxxxxxxxxxxx>, "Hal Brauner" <ward9@xxxxxxxxxxxxxxxxxxxx>, "Jeanne Raymond" <ward7@xxxxxxxxxxxxxxxxxxxx>, "Joel Hirsch" <ward6@xxxxxxxxxxxxxxxxxxxx>, "Mark O'Brien" <ward1@xxxxxxxxxxxxxxxxxxxx>, "Mike Beilstein" <ward5@xxxxxxxxxxxxxxxxxxxx>, "Patricia Daniels" <ward2@xxxxxxxxxxxxxxxxxxxx>
  - *Subject:* Agenda Request for SIF work session
  - *From:* "ward3" <ward3@xxxxxxxxxxxxxxxxxxxx>
  - *Date:* Wed, 21 Jul 2010 09:35:52 -0700
  - *Cc:* "cc" <ward3-Web-Archive@xxxxxxxxxxxxxxxxxxxx>
- 

Jon,

Thanks for being open to suggestions on changes to the agenda. I have two.

- 1) Councilor check-in on the topic of SIF's. I'm guessing that each of us have thoughts and feelings about the SIF's as a group and the process which brought us to this meeting. I am clear that I had to opportunity to make a brief speech on the topic and others haven't. If we are going to work toward identifying common ground on any of these, understanding each other's positions and feelings on the topic would be very useful. We could use a go-round with each taking a few minutes.
- 2) Background information about how previous successful fees and taxes have been developed. As I refreshed my memory on these proposals and the publicity they have received, I find myself wondering if we are in a new age as regards bringing forward new fees or taxes. I realize that part of my wondering may arise out of my unfamiliarity with the process. Thus the request for more information on what has worked in the past, with dates on those successes. My concern is that in current times, as we have seen with the Bald Hill Farm case, public opinion about a topic is not going to wait on factual information from City sources before it forms. I'm wondering if we no longer have the luxury of waiting to develop details until after a process more public than a work session is undertaken. Information gathering is now "running up a trial balloon on raising your taxes – which is by definition Bad." This agenda topic could be a brief conversation with you on your experience and expectations. I don't expect that we will come to a new plan in this brief conversation, but it might inform our subsequent conversations on Thursday and lead to future ones about balancing difficult budgets.

Thanks again for the opportunity to suggest these changes.

Richard

**Louie, Kathy**

---

**From:** Nelson, Jon  
**Sent:** Wednesday, July 21, 2010 2:38 PM  
**To:** Weiss, Kent; Mayor and City Council  
**Cc:** Gibb, Ken; Rogers, Steve; Steckel, Mary; Louie, Kathy  
**Subject:** RE: Revolving loan funds for energy conservation projects

Thanks for the quick and thorough response Kent!

FYI, Richard, Councilors and Mayor.

Jon

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**From:** Weiss, Kent  
**Sent:** Wednesday, July 21, 2010 1:56 PM  
**To:** Nelson, Jon  
**Cc:** Gibb, Ken; Rogers, Steve; Steckel, Mary  
**Subject:** RE: Revolving loan funds for energy conservation projects

Jon -

In answer to Councilor Hervey's questions:

a) The loans will carry a five year repayment term, with a 3% annual rate of interest. Borrowers will make monthly loan payments to the City. Loans will be in amounts of between \$2,500 and \$10,000.

b) As the loans revolve, balance in the program will naturally be achieved by loaning only what's available from the loan repayment revenue stream. Based on the initial \$250,000 infusion to the Revolving Loan Fund (RLF) we would expect to see about \$40,000 in repayments the first year (and thus available for loans in the second year) with revenues increasing by about \$10,000 a year through the fifth year. As the first year's flush of loans are paid off, the repayment stream (in the sixth year) would decrease, and the amount available for loans would drop back down, but then should increase slowly over time. Without an additional infusion of loan capital, it would take many years to build the RLF back to having what was available for loans in the first year, and with attrition due to the costs of administration, I'm not sure it would ever completely rebuild.

I haven't done detailed projections, but I would estimate that additional infusions of \$50,000 to \$100,000 a year for five to ten years would bring the ongoing balance available for loans each year back up to about its original level, after which it could remain roughly at that level without significant near-term future infusions.

c) We're allowed to use up to \$50,000 of the \$250,000 for program setup and administration, but I anticipate the number will be closer to \$25,000-\$35,000 by the time we're done. Going forward, to be conservative, I would assume a 15% admin rate.

Let me know if you would like additional information.

Kent

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**From:** Nelson, Jon  
**Sent:** Wednesday, July 21, 2010 8:37 AM  
**To:** Steckel, Mary; Weiss, Kent  
**Cc:** Rogers, Steve; Gibb, Ken  
**Subject:** FW: Revolving loan funds for energy conservation projects

Help please, and I will forward to Richard. Thank you.

7/21/2010

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**From:** ward3 [mailto:ward3@council.ci.corvallis.or.us]  
**Sent:** Tuesday, July 20, 2010 11:10 PM  
**To:** Nelson, Jon  
**Cc:** 'cc'  
**Subject:** Revolving loan funds for energy conservation projects

Jon,

We received a good report at council on Monday about the staff knowledge and the progress on our revolving loan fund for energy conservation and generation projects, using EECEBG funds. As I remember the conversation in the expanded Urban Services Committee, the knock on such revolving loan funds is that they need additional inputs of capital for several years until loan repayments equal the new project loans and that even then they need some overhead money and smaller capital infusions to stay productive.

Going into the SIF conversation on Thursday, I'd like to have a better understanding of:

- a) the length of a typical loan
- b) the time until the loan payoffs are in rough balance with new loans (allowing for some injection for overhead and inflation)
- c) the ongoing overhead and maintenance capital costs as a percentage of the program funds.

Thanks,  
Richard

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## RE: [SPAM] Agenda Request for SIF work session

- **To:** "Ward 3" <ward3@xxxxxxxxxxxxxxxxxxxxxxxxxxxx>, "cc" <ward3-Web-Archive@xxxxxxxxxxxxxxxxxxxxxxxxxxxx>, "Mayor" <mayor@xxxxxxxxxxxxxxxxxxxxxxxxxxxx>, "Ward 4" <ward4@xxxxxxxxxxxxxxxxxxxxxxxxxxxx>, "Ward 8" <ward8@xxxxxxxxxxxxxxxxxxxxxxxxxxxx>, "Ward 9" <ward9@xxxxxxxxxxxxxxxxxxxxxxxxxxxx>, "Ward 7" <ward7@xxxxxxxxxxxxxxxxxxxxxxxxxxxx>, "Ward 6" <ward6@xxxxxxxxxxxxxxxxxxxxxxxxxxxx>, "Ward 1" <ward1@xxxxxxxxxxxxxxxxxxxxxxxxxxxx>, "Ward 5" <ward5@xxxxxxxxxxxxxxxxxxxxxxxxxxxx>, "Ward 2" <ward2@xxxxxxxxxxxxxxxxxxxxxxxxxxxx>
- **Subject:** RE: [SPAM] Agenda Request for SIF work session
- **From:** "Nelson, Jon" <Jon.Nelson@xxxxxxxxxxxxxxxxxxxx>
- **Date:** Wed, 21 Jul 2010 10:24:30 -0700
- **Cc:** "cc" <ward3-Web-Archive@xxxxxxxxxxxxxxxxxxxxxxxxxxxx>, "Rogers, Steve" <Steve.Rogers@xxxxxxxxxxxxxxxxxxxx>, "Steckel, Mary" <Mary.Steckel@xxxxxxxxxxxxxxxxxxxx>

Richard,

#1 certainly works for staff. I should clarify that in the proposed agenda, under each of the initiatives we envisioned questions of staff, individual Councilors talking about their preferences, and then counting on the Mayor to facilitate whether he is hearing common ground. By common ground we did not assume there is necessarily a point or place on each of the initiatives that will have consensus or majority support.

#2 Staff would be happy to provide oral feedback based upon our experiences. Rare is the occasion in my work experience where detail brings acceptance when the underlying objection is value based. Our history has been fees and taxes passing based upon political support from Council and those enjoying the services where the money is designated. Having said that, my budget message this year did beg the question as to whether our existing model of asking for resources is working. But in my mind it is not proposal detail that is the issue as much as broad based support and who is bringing the initiative forward.

I look forward to the Council discussion.

Jon

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**From:** ward3 [mailto:ward3@xxxxxxxxxxxxxxxxxxxxxxxxxxxx]  
**Sent:** Wednesday, July 21, 2010 9:36 AM  
**To:** Nelson, Jon; cc; Mayor; Ward 4; Ward 8; Ward 9; Ward 7; Ward 6; Ward 1; Ward 5; Ward 2  
**Cc:** 'cc'  
**Subject:** [SPAM] Agenda Request for SIF work session  
**Importance:** Low

Jon,

Thanks for being open to suggestions on changes to the agenda. I have two.

- 1) Councilor check-in on the topic of SIF's. I'm guessing that each of us have thoughts and feelings about the SIF's as a group and the process which brought us to this meeting. I am clear that I had to opportunity to make a brief speech on the topic and others haven't. If we are going to work toward identifying common ground on any of these, understanding each other's positions and feelings on the topic would be very useful. We could use a go-round with each taking a few minutes.
- 2) Background information about how previous successful fees and taxes have been developed. As I refreshed my memory on these proposals and the publicity they have received, I find myself wondering if we are in a new age as regards bringing forward new fees or taxes. I realize that part of my wondering may arise out of my unfamiliarity with the process. Thus the request for more information on what has worked in the past, with dates on those successes. My concern is that in current times, as we have seen with the Bald Hill Farm case, public opinion about a topic is not going to wait on factual information from City sources before it forms. I'm wondering if we no longer have the luxury of waiting to develop details until after a process more public than a work session is undertaken. Information gathering is now "running up a trial balloon on raising your taxes – which is by definition Bad." This agenda topic could be a brief conversation with you on your experience and expectations. I don't expect that we will come to a new plan in this brief conversation, but it might inform our subsequent conversations on Thursday and lead to future ones about balancing difficult budgets.

Thanks again for the opportunity to suggest these changes.

Richard

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● **References:**

- **Agenda Request for SIF work session**
  - *From: ward3*
- Prev by Date: **Agenda Request for SIF work session**
- Next by Date: **Spam Mail Removal**
- Previous by thread: **Agenda Request for SIF work session**
- Index(es):
  - **Date**
  - **Thread**

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## RE: SIF' defined?

- *To:* "Ward 3" <ward3@xxxxxxxxxxxxxxxxxxxxxxxxxxxxxx>
- *Subject:* RE: SIF' defined?
- *From:* "Nelson, Jon" <Jon.Nelson@xxxxxxxxxxxxxxxxxxxx>
- *Date:* Wed, 21 Jul 2010 08:35:33 -0700
- *Cc:* "Rogers, Steve" <Steve.Rogers@xxxxxxxxxxxxxxxxxxxx>, "Steckel, Mary" <Mary.Steckel@xxxxxxxxxxxxxxxxxxxx>

Hi Richard,

Yes. Staff did not want to get the cart ahead of the horse in developing more specific ordinance language on a fee(s) that may not be supported by a majority of City Councilors.

Jon

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**From:** ward3 [mailto:ward3@xxxxxxxxxxxxxxxxxxxxxxxxxxxxxx]  
**Sent:** Wednesday, July 21, 2010 12:07 AM  
**To:** Nelson, Jon  
**Cc:** 'cc'  
**Subject:** SIF' defined?

Jon,

I've been searching the ASC packets and minutes and the council minutes to find specific language for the SIF's that we are to be discussing on Thursday. What I'm finding are SIF titles, the Feb 2010 briefing paper, the City Newsletter insert and various supporting documents. . Seems like we are voting on concepts as defined by the briefing paper. If there is specific wording, can you direct me to the wording? Was the intent that the Council would choose/approve the concepts and staff would come back with specifics for final approval? It is clear from the ASC minutes that staff expected to get further direction on the specifics as to assessing the fees themselves (do we adjust for inflation, etc.)

Thanks,

Richard

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- **References:**
  - **SIF' defined?**
    - *From:* ward3
- Prev by Date: **SIF' defined?**
- Next by Date: **Agenda Request for SIF work session**
- Previous by thread: **SIF' defined?**
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## RE: Agenda changes for SIF work session

- **To:** "Ward 3" <ward3@xxxxxxxxxxxxxxxxxxxxxxxxxxxx>
- **Subject:** RE: Agenda changes for SIF work session
- **From:** "Nelson, Jon" <Jon.Nelson@xxxxxxxxxxxxxxxxxxxx>
- **Date:** Tue, 20 Jul 2010 09:09:58 -0700
- **Cc:** "cc" <ward3-Web-Archive@xxxxxxxxxxxxxxxxxxxxxxxxxxxx>, "Mayor" <mayor@xxxxxxxxxxxxxxxxxxxxxxxxxxxx>, "Dan Brown" <dbrown1944@xxxxxxxxxxxx>, <david.hamby@xxxxxxxxxxxxxxxx>, "Rogers, Steve" <Steve.Rogers@xxxxxxxxxxxxxxxxxxxx>, "Steckel, Mary" <Mary.Steckel@xxxxxxxxxxxxxxxxxxxx>, "Louie, Kathy" <Kathy.Louie@xxxxxxxxxxxxxxxxxxxx>

Thanks for the heads-up Richard.

Charlie, fyi, at the Council meeting I indicated that the work session agenda in the packet was what staff had prepared after reviewing the questions and considering a way to move thru the agenda. But I noted that the timing of bringing the agenda forward did not allow for the customary review by Mayor and Council leadership.

So I offered that Councilors with other ideas on an agenda for the meeting could contact the Mayor or yours truly with alternate ideas. Probably calls for an "agenda check-in" to begin the meeting.....

jon

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**From:** ward3 [mailto:ward3@xxxxxxxxxxxxxxxxxxxxxxxxxxxx]  
**Sent:** Tuesday, July 20, 2010 8:18 AM  
**To:** Nelson, Jon  
**Cc:** 'cc'; Mayor; 'Dan Brown'; david.hamby@xxxxxxxxxxxxxxxx  
**Subject:** Agenda changes for SIF work session

Jon,

Thanks for offering to consider agenda changes for Thursday's work session. I do have a couple of changes in mind. I'd like to delay suggesting them until I have read the packet. It's possible that after reading the packet I'll no longer have the need to request changes. I intend to complete my review of the packet by Wednesday noon.

Thanks,

Richard

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- **References:**

- **Agenda changes for SIF work session**
  - *From: ward3*

- Prev by Date: **Agenda changes for SIF work session**
- Next by Date: **Ukranian Globetrotters at Da Vinci Days - photos**
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REVISED CTS Monday-Friday Ridership for FY 2009/2010								
20-Jul-10					Average Capacity Routes 1-8 = 42.7%			
					Maximum Capacity Routes 1-8 = 88.6%			
<b>Bus Capacity</b>					Minimum Capacity Routes 1-8 = 10.5%			
Low Floors	32 seated/9 standing - Total = 41							
<b>Route 1</b>	<b>Total Rides</b>	<b>Rides per</b>	<b>% Capacity</b>					
<b>Monday thru Friday</b>	<b>per Year</b>	<b>Run</b>						
7:00 AM	7,576	29.59	72.2%					
8:00 AM	9,155	35.76	87.2%					
9:00 AM	7,798	30.46	74.3%					
10:00 AM	5,465	21.35	52.1%					
11:00 AM	6,635	25.92	63.2%					
12 NOON	6,189	24.18	59.0%					
1:00PM	6,605	25.80	62.9%					
2:00 PM	7,137	27.88	68.0%					
3:00 PM	7,172	28.02	68.3%					
4:10 PM	8,059	31.48	76.8%					
5:10 PM	9,301	36.33	88.6%					
6:10 PM	4,546	17.76	43.3%					
7:10 PM	1,946	7.60	18.5%					
<b>12.5 Hrs-Total</b>	<b>87,584</b>							
<b>Route 2</b>	<b>Total Rides</b>	<b>Rides per</b>	<b>% Capacity</b>					
<b>Monday thru Friday</b>	<b>per Year</b>	<b>Run</b>						
7:15 AM	2,526	9.87	24.1%					
8:15 AM	3,311	12.93	31.5%					
9:15 AM	3,118	12.18	29.7%					
10:15 AM	3,537	13.82	33.7%					
11:15 AM	4,214	16.46	40.1%					
12:15 PM	5,043	19.70	48.0%					
1:15 PM	5,324	20.80	50.7%					
2:15 PM	5,660	22.11	53.9%					
3:15 PM	5,484	21.42	52.2%					
4:15 PM	5,434	21.23	51.8%					
5:15 PM	4,561	17.82	43.5%					
6:15 PM	3,017	11.79	28.7%					
<b>6 Hrs -Total</b>	<b>51,229</b>							
<b>Route 3</b>	<b>Total Rides</b>	<b>Rides per</b>	<b>% Capacity</b>					
<b>Monday thru Friday</b>	<b>per Year</b>	<b>Run</b>						
6:55 AM	3,334	13.02						
7:45 AM	3,389	13.24	32.3%					
8:45 AM	2,977	11.63	28.4%					
9:45 AM	2,577	10.07	24.6%					
10:45 AM	2,358	9.21	22.5%					
11:45 AM	2,749	10.74	26.2%					
12:45 AM	2,751	10.75	26.2%					
1:45 PM	2,735	10.68	26.1%					
2:45 PM	2,898	11.32	27.6%					
3:45 PM	3,297	12.88	31.4%					
4:45 PM	3,484	13.61	33.2%					
5:45 PM	2,796	10.92	26.6%					
6:45 PM	3,530	13.79	33.6%					
<b>6.3 Hrs -Total</b>	<b>38,875</b>							

<b>Route 4</b>				
<b>Monday thru Friday</b>	<b>Total Rides per Year</b>	<b>Rides per Run</b>	<b>% Capacity</b>	
6:15 AM	1,107	4.32	10.5%	
6:45 AM	1,978	7.73	18.8%	
7:45 AM	3,321	12.97	31.6%	
8:45 AM	3,182	12.43	30.3%	
9:45 AM	2,750	10.74	26.2%	
10:45 AM	2,925	11.43	27.9%	
11:45 AM	3,028	11.83	28.8%	
12:45 AM	4,394	17.16	41.9%	
1:45 PM	3,645	14.24	34.7%	
2:45 PM	4,287	16.75	40.8%	
3:45 PM	5,810	22.70	55.4%	
4:45 PM	4,350	16.99	41.4%	
5:45 PM	2,956	11.55	28.2%	
6:45 PM	1,587	6.20	15.1%	
<b>7 Hrs - Total</b>	<b>45,320</b>			
<b>Route 5</b>				
<b>Monday thru Friday</b>	<b>Total Rides per Year</b>	<b>Rides per Run</b>	<b>% Capacity</b>	
6:25 AM	1,044		0.0%	
6:45 AM	1,683	6.57	16.0%	
7:15 AM	6,158	24.05	58.7%	
7:45 AM	4,595	17.95	43.8%	
8:15 AM	5,567	21.75	53.0%	
8:45 PM	5,138	20.07	49.0%	
9:15 AM	7,478	29.21	71.2%	
9:45 AM	5,174	20.21	49.3%	
10:15 AM	5,184	20.25	49.4%	
10:45 AM	5,025	19.63	47.9%	
11:15 AM	6,437	25.14	61.3%	
11:45 AM	5,898	23.04	56.2%	
12:15 PM	5,940	23.20	56.6%	
12:45 PM	5,496	21.47	52.4%	
1:15 PM	6,379	24.92	60.8%	
1:45 PM	6,344	24.78	60.4%	
2:15 PM	7,584	29.63	72.3%	
2:45 PM	5,814	22.71	55.4%	
3:15 PM	7,121	27.82	67.8%	
3:45 PM	6,555	25.61	62.5%	
4:15 PM	6,758	26.40	64.4%	
4:45 PM	7,117	27.80	67.8%	
5:15 PM	8,072	31.53	76.9%	
5:45 PM	5,990	23.40	57.1%	
6:15 PM	4,795	18.73	45.7%	
6:45 PM	3,518	13.74	33.5%	
7:15 PM	1,353	5.29	12.9%	
7:45 PM	2,711	10.59	25.8%	
8:45 PM	1,924	7.52	18.3%	
<b>14.3 Hrs - Total</b>	<b>152,852</b>			
<b>Route 6</b>				
<b>Monday thru Friday</b>	<b>Total Rides per Year</b>	<b>Rides per Run</b>	<b>% Capacity</b>	
6:15 AM	1,691	6.61	16.1%	
6:45 AM	2,252	8.80	21.5%	

7:15 AM	6,248	24.41	59.5%			
7:45 AM	5,512	21.53	52.5%			
8:15 AM	5,157	20.14	49.1%			
8:45 PM	3,494	13.65	33.3%			
9:15 AM	4,736	18.50	45.1%			
9:45 AM	2,984	11.66	28.4%			
10:15 AM	3,788	14.80	36.1%			
10:45 AM	3,101	12.11	29.5%			
11:15 AM	4,706	18.38	44.8%			
11:45 AM	3,886	15.18	37.0%			
12:15 PM	5,139	20.07	49.0%			
12:45 PM	4,249	16.60	40.5%			
1:15 PM	5,168	20.19	49.2%			
1:45 PM	6,104	23.84	58.2%			
2:15 PM	5,252	20.52	50.0%			
2:45 PM	5,544	21.66	52.8%			
3:15 PM	5,618	21.95	53.5%			
3:45 PM	5,202	20.32	49.6%			
4:15 PM	5,536	21.63	52.7%			
4:45 PM	5,869	22.93	55.9%			
5:15 PM	5,862	22.90	55.8%			
5:45 PM	4,270	16.68	40.7%			
6:15 PM	3,898	15.23	37.1%			
6:45 PM	2,292	8.95	21.8%			
7:15 PM	2,081	8.13	19.8%			
8:15 PM	1,849	7.22	17.6%			
14.0 Hrs - Total	121,488					
<b>Route 7</b>	<b>Total Rides</b>	<b>Rides per</b>	<b>% Capacity</b>			
<b>Monday thru Friday</b>	<b>per Year</b>	<b>Run</b>				
6:30 AM	2,808	10.97	26.8%			
7:30 AM	4,567	17.84	43.5%			
8:30 AM	4,491	17.54	42.8%			
9:30 AM	5,303	20.71	50.5%			
10:30 AM	4,798	18.74	45.7%			
11:30 AM	5,429	21.21	51.7%			
12:30 PM	6,341	24.77	60.4%			
1:30 PM	6,292	24.58	59.9%			
2:30 PM	7,094	27.71	67.6%			
3:30 PM	8,529	33.32	81.3%			
4:30 PM	7,424	29.00	70.7%			
5:30 PM	6,212	24.27	59.2%			
6:30 PM	3,584	14.00	34.1%			
7:30 PM	2,374	9.27	22.6%			
14 Hrs - Total	75,246					
<b>Route 8</b>	<b>Total Rides</b>	<b>Rides per</b>	<b>% Capacity</b>			
<b>Monday thru Friday</b>	<b>per Year</b>	<b>Run</b>				
7:15 AM	3,638	14.21	34.7%			
8:15 AM	3,811	14.89	36.3%			
9:15 AM	4,321	16.88	41.2%			
10:15 AM	2,957	11.55	28.2%			
11:15 AM	3,153	12.32	30.0%			
12:15 PM	3,409	13.32	32.5%			
1:15 PM	3,368	13.16	32.1%			
2:15 PM	3,359	13.12	32.0%			

3:15 PM	3,734	14.59	35.6%				
4:15 PM	3,745	14.63	35.7%				
5:15 PM	3,975	15.53	37.9%				
6:15 PM	2,885	11.27	27.5%				
<b>6 Hrs - Total</b>	<b>42,355</b>						
<b>Route C1</b>	<b>Total Rides</b>	<b>Rides per</b>	<b>% Capacity</b>				
<b>Monday thru Friday</b>	<b>per Year</b>	<b>Run</b>					
6:50 AM	4,228	22.61	55.1%				
3:20 PM	2,130	11.39	27.8%				
<b>1.5 Hrs - Total</b>	<b>6,358</b>						
<b>Route C2</b>	<b>Total Rides</b>	<b>Rides per</b>	<b>% Capacity</b>				
<b>Monday thru Friday</b>	<b>per Year</b>	<b>Run</b>					
6:45 AM	100	0.39	1.0%				
7:45 AM	330	1.29	3.1%				
12:15 PM	82	0.32	0.8%				
5:00 PM	529	2.07	5.0%				
6:00 PM	232	0.91	2.2%				
<b>1.6 Hrs - Total</b>	<b>1,273</b>						
<b>Route C3</b>	<b>Total Rides</b>	<b>Rides per</b>	<b>% Capacity</b>				
<b>Monday thru Friday</b>	<b>per Year</b>	<b>Run</b>					
7:05 AM	1,265	4.94	12.1%				
8:05 AM	2,030	7.93	19.3%				
5:15 PM	1,700	6.64	16.2%				
6:15 PM	1,009	3.94	9.6%				
<b>2.0 Hrs - Total</b>	<b>6,004</b>						
<b>Route CVA</b>	<b>Total Rides</b>	<b>Rides per</b>	<b>% Capacity</b>				
<b>Monday thru Friday</b>	<b>per Year</b>	<b>Run</b>					
7:00 AM	2,947	15.76	38.4%				
8:55 AM	772	4.13	10.1%				
3:55 PM	1,256	6.72	16.4%				
5:10 PM	510	2.73	6.7%				
<b>2.6 Hrs - Total</b>	<b>5,485</b>						

## MEMORANDUM

March 31, 2010

To: Administrative Services Committee

From: Steve Rogers, Public Works Department Director  
Karen Emery, Parks and Recreation Department Director

Subject: Sustainability Initiatives Funding

### Issue:

The City Council is considering a proposal for new funding sources for five sustainability initiatives. In the public outreach process for this project, the April 21<sup>st</sup> Administrative Services Committee (ASC) meeting was designated for public input.

### Background:

The five initiatives are:

- Free/expanded transit service
- City maintains the sidewalks
- City maintains the public trees
- Projects to increase bicyclist and pedestrian safety
- Projects to reduce energy or increase use of renewable resources

Details for each initiative are contained in the attached briefing paper (Attachment A).

Community outreach efforts included presentations to six advisory commissions, an insert in the April issue of "the City", web postings, a web-based survey, an article in the *Gazette-Times*, public and government access channel bulletin board messages, and flyers in transit buses and at Parks and Recreation, Library, City Hall and Public Works. In addition, a dedicated email address was created—SIF@ci.corvallis.or.us.

All communications emphasized that direct public input may be made to the Administrative Services Committee during the April 21, 2010 meeting.

### Discussion:

A compilation of the input received by April 6, 2010 is attached (Attachments B - F). Input received after April 6<sup>th</sup>, but before April 21<sup>st</sup>, will be provided at the ASC meeting.

The results of the online survey are:

	Transit		Sidewalks		Trees		Alt Modes		Energy	
	#	%	#	%	#	%	#	%	#	%
Support the initiative and the fee	46	41.1%	45	39.8%	47	42.0%	50	44.2%	45	39.8%
Support the initiative but not the fee	11	9.8%	15	13.3%	14	12.5%	16	14.2%	13	11.5%
Not sure whether I support the initiative	5	4.5%	11	9.7%	7	6.3%	7	6.2%	7	6.2%
Do not support the initiative	50	44.6%	42	37.2%	44	39.3%	40	35.4%	48	42.5%
Total responses	112		113		112		113		113	

A summary of the comments about the initiatives received from the dedicated email account and the online survey are shown broken into broad categories in the table below.

	From <a href="mailto:SIF@ci.corvallis.or.us">SIF@ci.corvallis.or.us</a>		From online survey	
	# of responses	% of total	# of responses	% of total
Support all the initiatives	4	10.8%	13	17.1%
Support one or more of the initiatives	8	21.6%	34	44.7%
Support the initiatives, but it's the wrong time	2	5.4%	2	2.6%
Make the users or people affected (for sidewalks/trees) pay	6	16.2%	7	9.2%
Send the question to a vote	2	5.4%	2	2.6%
Want more data	2	5.4%	0	0.0%
Do not support one or more of the initiatives	13	35.1%	18	23.7%
Total Responses	37		76	

#### Next Steps:

Committee deliberation and resulting recommendations are planned for the May 5, 2010 meeting. Should the need arise, additional meetings will be scheduled to complete the deliberation work.

In preparation for the Committee's deliberations, staff has developed a table showing examples of the monthly costs for various property types (Attachment G) attributable to each initiative. For the transit and alternative transportation initiatives, program costs are proposed to be allocated to each occupied property in the city based on trip generation, in the same manner as the Transportation Maintenance Fee. For the sidewalk, public trees and energy initiatives, program costs are proposed to be allocated to each property equally, with the exception of Oregon State University property, which are proposed to be excluded from the allocation because OSU has their own separate program in each of these areas.

If the Committee recommends to implement any of the fees, staff would need additional direction in the areas outlined in the following list. The May 5<sup>th</sup> staff report will include options for these items for the Committee's consideration.

- a. The methodology for setting the fee.
- b. If a fee-escalation mechanism is desired and, if so, what the mechanism would be.
- c. When the fee should be implemented.
- d. If the fees and programs are to be reviewed in a specific time period.
- e. Whether the fee should be implemented through an ordinance or a vote.
- f. Whether there should be any exceptions based on the type of property or the income level of the property owner.

If multiple fees are implemented, direction would also be needed on whether to do that with a single ordinance or multiple ordinances.

Any additional information needed by the Committee to assist in their review of these items should be requested at the April 21<sup>st</sup> meeting to provide staff enough time to respond by the May 5<sup>th</sup> meeting.

Review and concur,

---

Jon S. Nelson, City Manager

- Attachment A - Briefing Paper
- Attachment B - Input from Web-based Survey
- Attachment C - Input from Advisory Commissions
- Attachment D - Input from SIF Email Account
- Attachment E - Input from *Gazette-Times* Letters to the Editor and Editorial
- Attachment F - Input from Telephone Contacts or US Mail
- Attachment G - Initiative Fee Examples

## Questions/Comments for SIF work session-7/22/2010

Stay the Course- Hundreds of citizens have expressed concerns about this proposal of new taxes. One need only make a cursory survey of comments received to see this is fact. Their request to me is to stay the course with respect to the fundamental and early objections I articulated at committee. One might be inclined to suggest that citizens are naturally tax averse and that such a position is selfish and unrealistic. Based on the conversations I've had in the community I'd suggest that folks aren't tax averse but rather tax savvy. People understand the financial challenges facing the city and they are prepared to engage in a conversation about which core services they are willing and able to support via new taxation. Whether fare less transit, sidewalk repair, tree trimming, new bike lanes or an energy information kiosk are core services may be ripe fodder for a values discussion. We can, however, agree that those do not rise above public safety, parks and recreation, library services or a sound administration in importance. Rational people prioritize resources in times of lean and plenty and our citizens are neither stupid nor intentionally self defeating. Please join me in honoring the voice of reason by tabling these programs indefinitely while we work to stabilize operational funding for our most important city services.

Taxes or Fees- This proposal has been promoted as a sustainability "fee". Many, many citizens have rightfully called into question whether or not these "fees" more closely resemble "taxes". In fact, elects and staff have begun to variously describe these proposals using both terms interchangeably. I think most of us understand the basic differences between the two. It is the expectation of the citizens that new taxes will be subject to a vote of the people. While I readily admit a lack of expertise in the vagaries and legalities related to our ability to impose these measures, I am suggesting that in the eyes of citizens we will be violating a trust. They believe they have a right to vote on a funding mechanism of this kind. Whether they are correct or not is of little import. Their trust will have been violated, a relationship broken. This will have serious implications moving forward.

People, Not Programs- Given the budgetary outlook for the immediate and foreseeable future I am concerned about the effect these proposals will have on the city's ability to staff already approved positions. We will be asking the voter to support an additional tax levy in the next year to simply maintain the human capital we currently have. Taking any step which might jeopardize that request would be unconscionable. I want no part of this Faustian bargain with sustainability. The potential loss of livelihood to even one current staff person is simply too high a cost to bear.

People are Struggling- People are struggling to make ends meet. We are now deeply enmeshed in a serious national economic recession. We are "bouncing along the bottom" and it will likely be several years before we are at the surface again. Local unemployment is very high. For many people and families these are very hard times. Time and time again people have asked government to tighten its belt just as they have needed to do, and to the extent possible we have. Next year we will be cutting another few holes in that belt. Exactly what kinds of messages are we intending to send by developing new taxes for programs which are not of the highest priority? Planning a trip to Disneyland when we can't afford the heating bill is irresponsible. And lest we forget, the taxes proposed to pay for this vacation are regressive. The ability of the low income assistance program to moderate this effect is a myth. The aircraft has 100 passengers but only one parachute.

Costs to Business are Not Widely Understood- I have received direct communication from elements of the business community that the cost of these proposals is not well understood. Trip generation models are equitable to business only if one considers the nature of the business. Folks likely won't be hauling lumber home on the bus or their bikes.

Still Insufficient Information- I fully expected that today's staff report would be a veritable full court press driving the passage of these measures. I assumed that sufficient supporting materials would have been developed, located and presented. I can't say I'm disappointed to see that, for me, this is not the case. Having read all materials presented to A.S.C and today's report I still find no compelling reason to support

any of the proposed programs, particularly under the current budgetary circumstances. Based on the information presented I'm not certain I could support some of them even were we to be in possession of sufficient resources.

Sustainability is not a benevolent master. It gladly slaves you to the politically correct whim of the day. It allows no dissent. It is a tireless tyrant, ever asking for greater sacrifice, its gaping maw ready to swallow your liberty, your individuality, your culture, your land and your reward. The cult of Sustainability is itself unsustainable in so far as its appetites are never sated. You can never regress far enough from your selfish way of life to satisfy it. You will never be able to do enough.

I ask, "When did thrift, conservation, common sense and the Golden Rule get supplanted by extremism? "