
Beech Street Local Improvement District

**Longview City Council Meeting
June 22, 2017**

Jeff D. Cameron, Public Works Director

Beech Street LID – Presentation Outline

- **What is a Local Improvement District (LID)**
- **Overview of LID Process**
- **Local Improvement District (LID) Request**
- **Beech Street Background Info.**
- **Issues and Red Flags**
- **Estimated Project Cost**
- **Project Benefits**
- **Next Steps:**
- **Recommendation**

Beech Street LID

What is a Local Improvement District (LID)?

- A method of financing capital improvements through formation of special assessment district.
- Benefitting properties pay for improvements over time through annual assessments.
- There are two ways to form an LID – property owner petition or council initiated by resolution. Typical method used by Longview is the petition method.
- Last LID in Longview was in 2011 for road and utilities Weber Avenue.

Beech Street LID

Overview of LID Process

- **Prepare Petition**
- **Hearings and LID Formation**
- **Design, Construction, and Interim Financing**
- **Final Assessment Roll and Hearing**
- **Post Assessment Hearing Actions and Appeals**

Beech Street LID

LID Request

- Requestor:
 - Rodman Realty on behalf of WRSCO, Inc, which represents roughly 49 acres of undeveloped land.



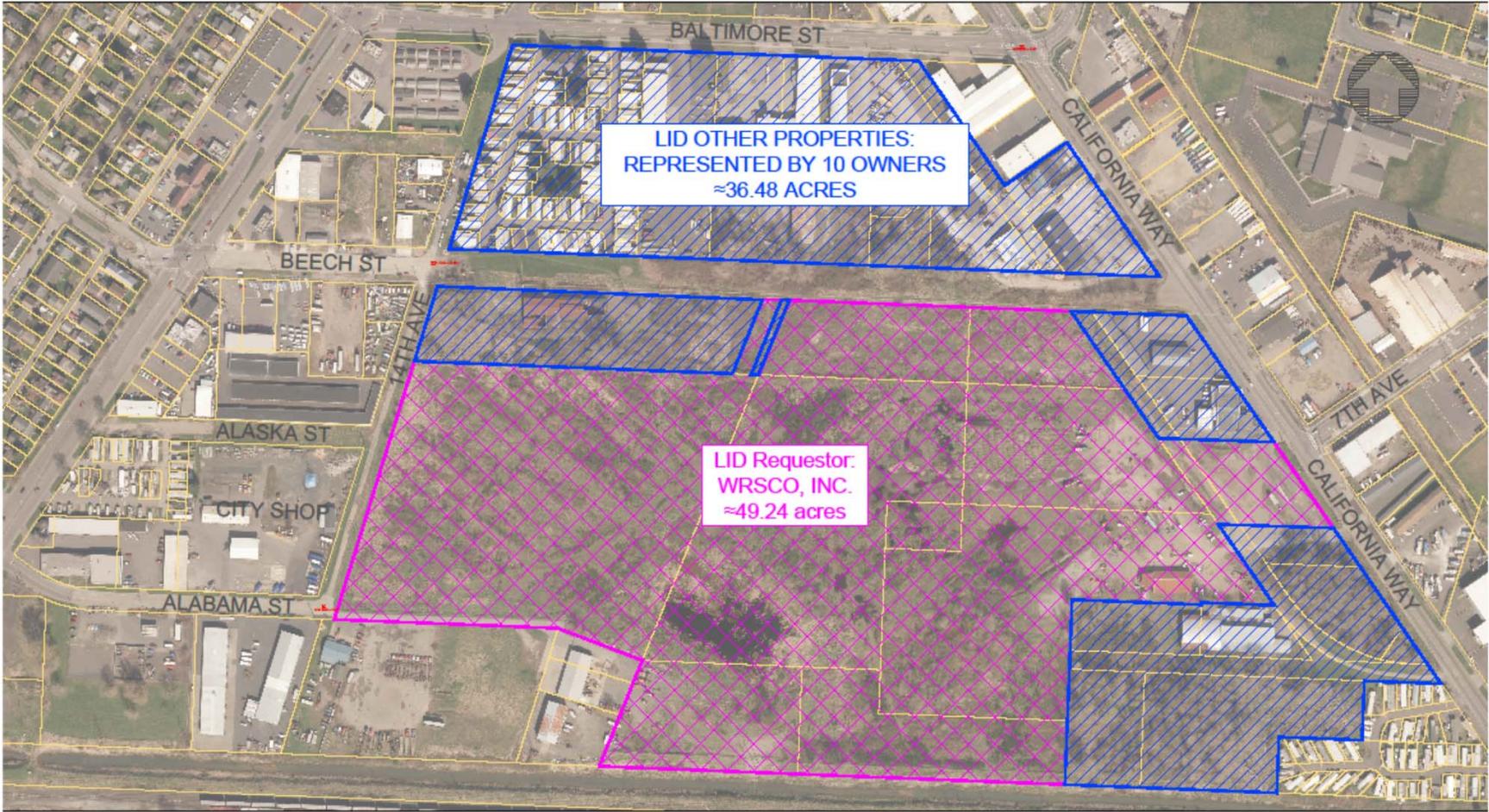
Beech Street LID

Beech Street Pre-Formation Background Information:

- Estimated LID boundary is approximately 100 acres.
- Beech Street improvements requested from 14th Ave to California Way. ($\approx 1/2$ Mile)
- Property development may require improvements to adjacent intersections - work that may not be eligible for the LID.
- Coordination with BNSF required.
- Assessment roll could include 36 parcels and 11 property owners.
- Coordination with existing utilities.

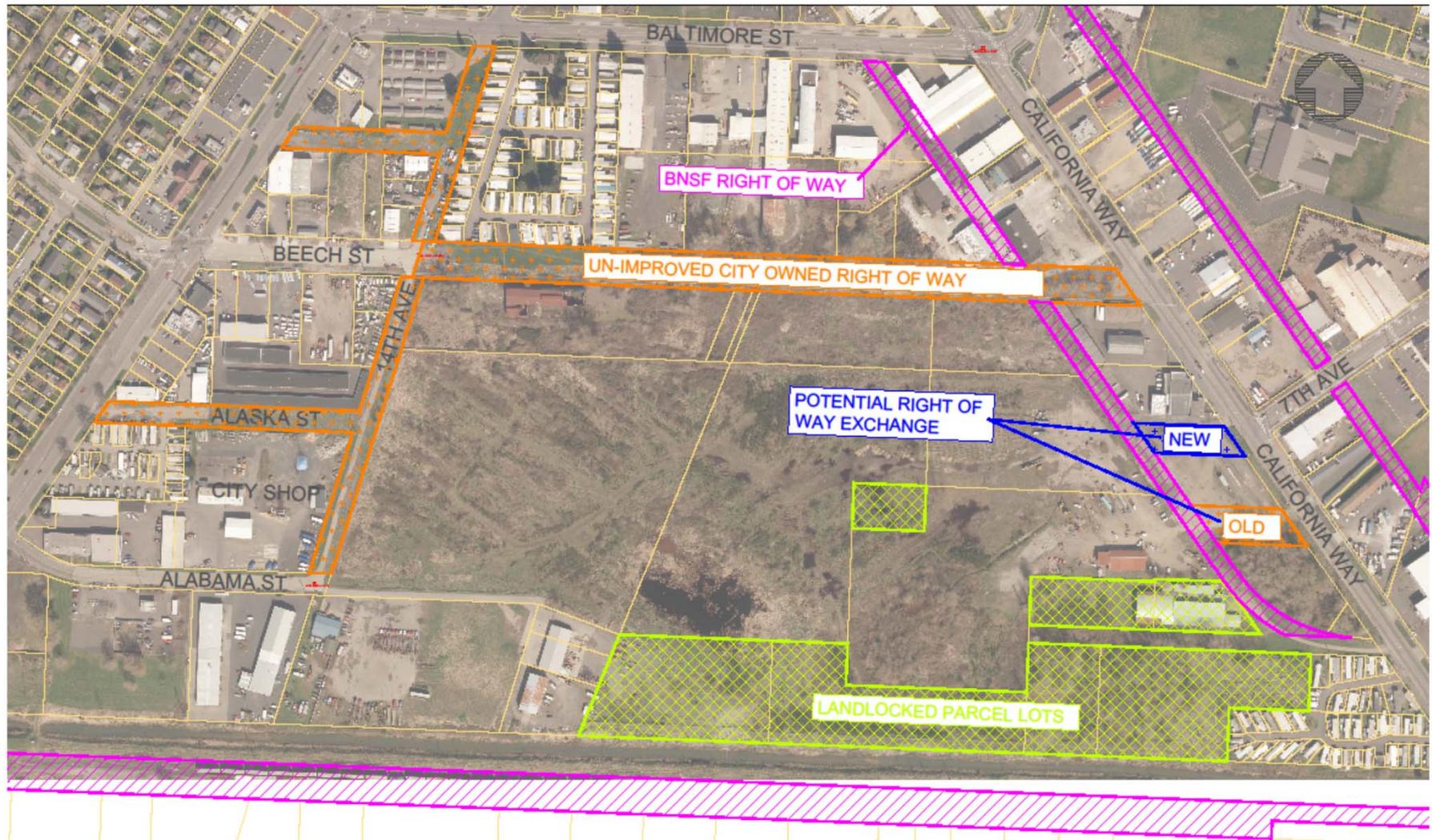
Beech Street LID – Assessment Area

ESTIMATED LID BOUNDARY AREA ≈ 85.7 ACRES
WRSCO, INC. HAS 57% OWNERSHIP



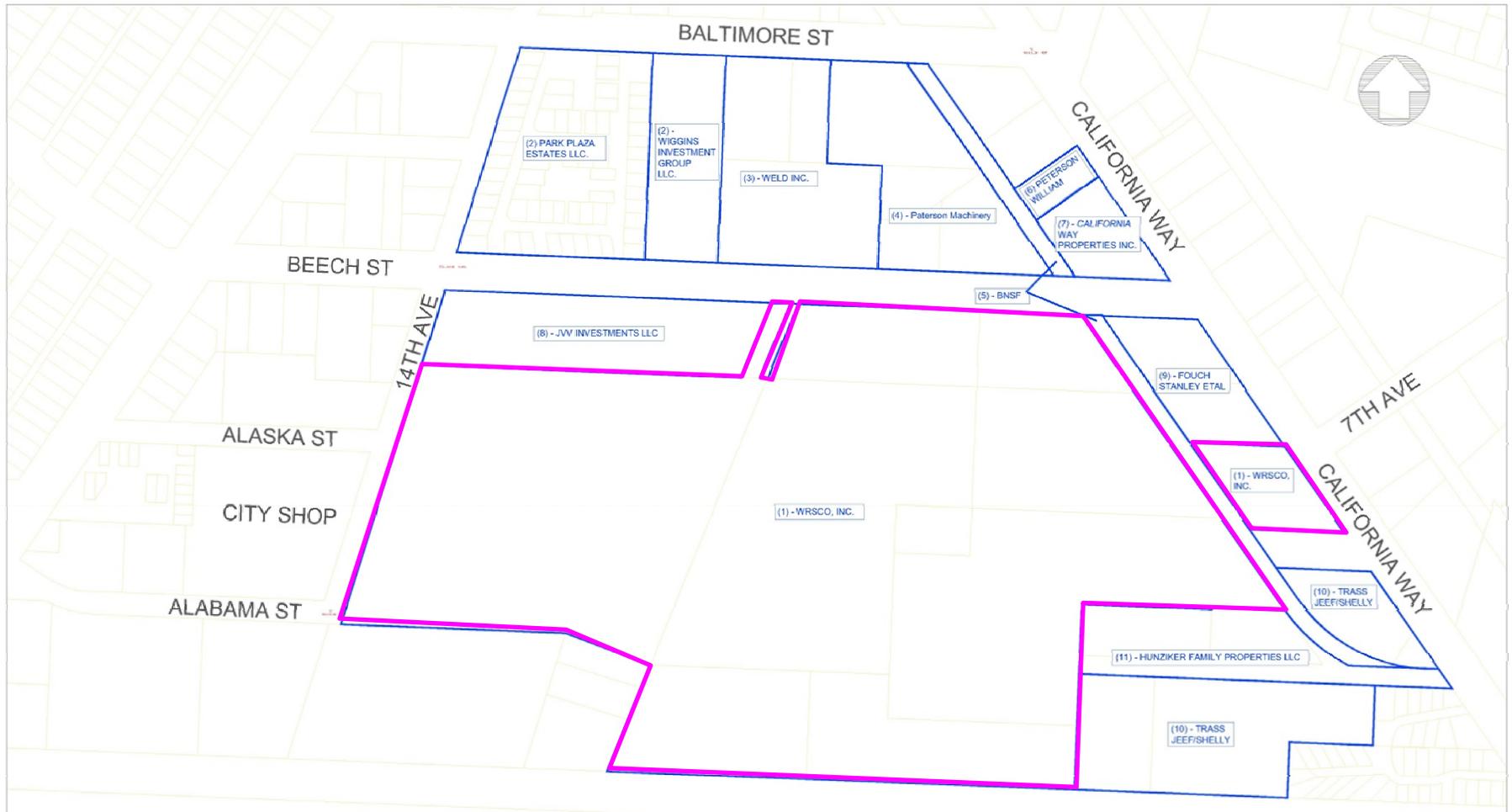
Beech Street LID – Right of Way Map

PRELIMINARY RIGHT OF WAY DESIGNATION



Beech Street LID – Ownership Map

36 PARCELS OWNED BY 11 PROPERTY OWNERS

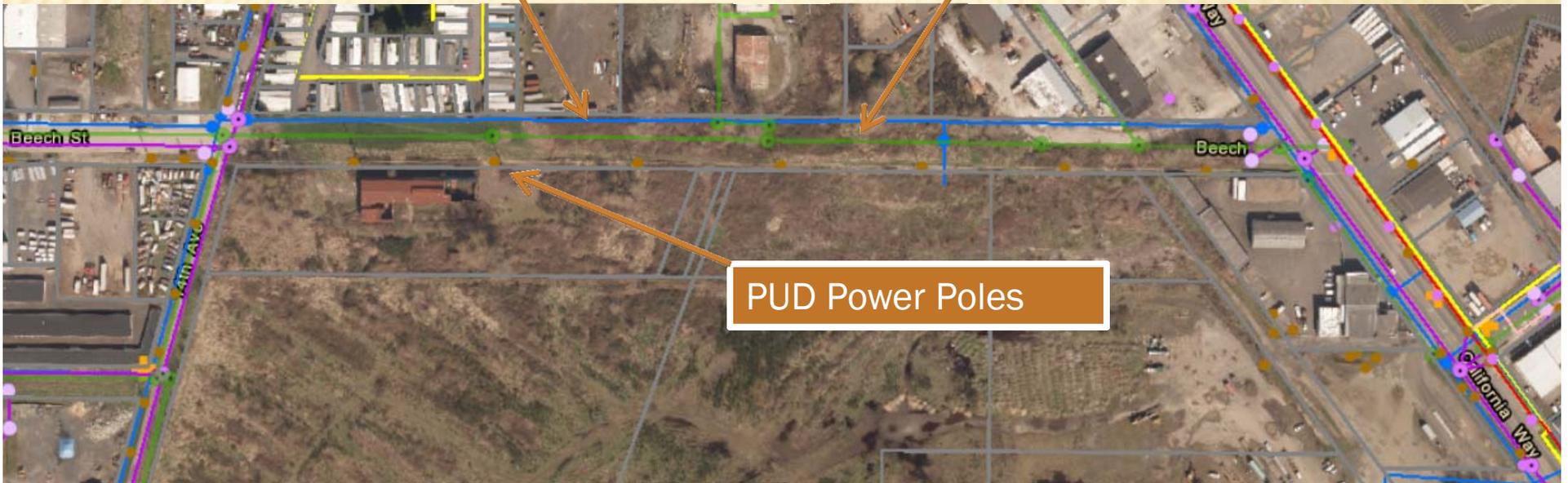


Beech Street LID – Existing Utilities

12 Inch Water Main

30 Inch Sewer Main

PUD Power Poles



Beech Street LID – West End at 14th Ave



14th Ave Northbound

Beech St Eastbound

14th Ave Southbound



Beech Street LID – East End at California Way

Beech St Existing Westbound Approach

California Way Northbound



Beech Street LID – 7th Ave & California Way



7th Ave Approach

Beech Street LID

Potential Issues and Red Flags

- Do other property owners support LID?
- Many adjacent property owners have access to existing streets.
- LID boundary will be difficult to determine based on benefit and use.
- Method of assessment will be difficult to determine.

Beech Street LID

Potential Issues and Red Flags (cont.)

- **Upfront engineering and legal costs.**
- **If LID fails, City absorbs upfront costs.**
- **Legal challenges.**
- **BNSF Railroad coordination.**
- **City right of way vacations may be required.**
- **Separate funding of adjacent intersection upgrades may be required due to new traffic patterns with completed Beech Street.**

Beech Street LID – Project Costs

- **Administration of LID: Engineering, City Clerk, Public Notifications, Finance, Appraisals, Outside Legal Counsel, and Special Benefit Analysis**
- **Design and Construction: Utility relocation, utility upgrades, demolition, street and intersection improvements.**
- **Unknown costs at this time: developer contracts, right of way acquisition, defense of legal challenges, railroad requirements, and coordination with Industrial Way/Oregon Way project.**

Beech Street LID – Project Costs

- **Administration & Engineering for LID: \$750,000**
- **Construction:**
 - **Road: \$3 Million**
 - **Intersection improvements: \$1.25 Million**
 - **Water/Sewer Services: \$100,000**
- **Unknown costs at this time: \$1.3 Million (25% contingency)**

Estimated Total Project Cost: \$5.1 to \$6.4 Million

Beech Street LID – Project Benefits

- **Economic development opportunities.**
- **Increased tax revenue when lots are improved.**
- **During IWOW construction, Beech Street would provide local access options around road closures and detours.**
- **City has collected funds earmarked for intersection improvements at 7th Ave & California Way:**
 - **\$250K from Walmart and other Developments**
 - **\$75K in Cowlitz County Rural Economic Fund Grants**

Beech Street LID – Next Step

- **City Council to provide response to request for LID.**
- **If proceeding, LID petition includes:**
 - **Preliminary Engineering to determine needed improvements**
 - **Feasibility Study to determine LID financing for Beech Street Improvements is practical**
 - **Identify City funding sources that may contribute**
 - **Special Benefit Analysis**
 - **Description of legal boundary and property owners list**
 - **Formal property appraisals may be necessary**

Beech Street LID – Next Step

- **Estimated Upfront Cost to prepare Petition:
\$150,000 to \$200,000**
- **Upfront petition work can either be done in-house or by the petition initiator. Typically a petition initiator would want a developer agreement so all costs incurred can be reimbursed if LID formation is successful.**
- **Petition initiator circulates petition to obtain LID property owner signatures.**

Beech Street LID

- Discussion
- Direction to Staff

