



## Memorandum

May 2, 2017

**TO:** David Campbell, City Manager

**FROM:** Kurt Sacha, Asst. City Manager/Finance Director

**SUBJECT:** Proposal for Utility Rate Relief Program

Please find attached Resolution No. 2221. The proposed resolution before you provides for the 2017 income limits for Cowlitz County as determined by the Department of Housing and Urban Development. Low-income senior and disabled citizens that qualify for the City's rate relief program receive a reduction in sanitary sewer fees, garbage collection fees and an exemption from storm water utility fees. As with Resolution No. 2176 currently in effect, the proposed resolution only applies to low-income seniors and low-income disabled City of Longview utility customers. The proposed income levels outlined in Resolution No. 2221 were obtained from the 2017 Very Low (50%) Income Limits Summary for Cowlitz County established by the U. S. Department of Housing and Urban Development (HUD).

The proposed utility rate relief income limit for a single person household is \$21,750, an increase of \$400 from the current limit of \$21,350. For a household with two persons the proposed income limit is \$24,850. Previously, the income limit for a two person household was \$24,400. The proposed Resolution No. xxxx provides for an income limit of \$33,550 for a family household consisting of five or more persons.

Currently there are approximately 400 low-income senior and low-income disabled citizens that participate in the City's utility rate relief program. The costs associated with the existing utility rate relief program total \$170,000. Preliminary estimates indicate the new income thresholds recommended in Resolution No. 2221 will increase program costs approximately \$5,000 annually. As in years past, the recommendation set forth in this resolution is in line with the City's goal to continue to serve those with the greatest need.

Thank you.