



## CITY OF ITHACA

108 East Green Street, Ithaca, New York 14850-5690

Office of City Engineer

Telephone: 607 / 274-6530

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To: Common Council  
Board of Public Works

Cc: Dan Cogan, Chief of Staff  
Michael Thorne, Superintendent of Public Works

From: Tim Logue, Director of Engineering  
John Licitra, Sidewalk Program Manager

Date: May 10, 2019

Re: A Proposal to Increase Sidewalk Improvement District (SID) Fees

Over the past 5 years, our sidewalk program has developed into one of our most successful public works activities. However, the effectiveness of the program is being whittled away by increasing costs and flat revenues. Since 2015, when the program was created, SID assessment fees across the City have only increased 0.4%, from about \$860,000 to \$863,000 (see Table 1), due primarily to increased building development (the formula has remained the same). Over the course of this same timeframe, our bid prices have increased on the order of 15%. This memo outlines a rationale for a SID assessment fee increase, a proposed SID fee calculation, and a process to build toward approval.

### **Rationale**

Each year, the Sidewalk Improvement Districts propose a work plan through public input, approval of the Board of Public Works, and final approval by Common Council. Most of the sidewalk repair and new construction is conducted by public bid, but smaller contracts have also been used to do concrete cutting and raising/leveling to eliminate trip hazards at a lower cost than full replacement. SID funds have also been used to pay for DPW led sidewalk construction (e.g., Hudson & Coddington, Dewitt Park Tree Lawn), and SID funds have contributed to other capital projects that include sidewalk work, (e.g., Spencer Road sidewalk and East Spencer Street retaining wall). Because of these contributions and the varying complexities of sidewalk construction in different places, there is not a perfect metric of sidewalk repaired or constructed per SID dollar assessed. That said, we can see clear trends in the outputs of the SID program. If we take three essential components of sidewalk replacement or construction – excavation, subbase and concrete, we can see a clear trend of increased prices over the past five years.



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| <b>SID Contract Prices</b> | <b>2015</b>  | <b>2016</b>  | <b>2017</b>  | <b>2018</b>  |
|----------------------------|--------------|--------------|--------------|--------------|
| Excavation                 | \$50         | \$20         | \$55         | \$45         |
| Subbase                    | \$85         | \$40         | \$85         | \$60         |
| Concrete                   | \$525        | \$625        | \$595        | \$648        |
| <b>Total</b>               | <b>\$660</b> | <b>\$685</b> | <b>\$735</b> | <b>\$753</b> |

At the same time, the total number of linear feet of sidewalk work done by contract has gone down. To be fair, this is not only related to the increased costs shown above. There are many other factors that contribute to how much sidewalk work gets done in a year, especially related to the complexity of the sidewalk work, and the complexity of work zone traffic control in order to get to the work. Replacing sidewalk on East State Street or on Cliff Street is bound to be more expensive on a linear foot basis than replacing sidewalk on Ferris Place or Esty Street or Hook Place, for no other reason than they are busier streets and cost more to maintain pedestrian and vehicular traffic around the workzone. Over the past five years, the total number of linear feet of sidewalk replaced has decreased from 7,600 linear feet in 2015 to 5,200 linear feet in 2018. Again, part of this is due to expensive work zones, part is due to SID contributions to sidewalk related capital projects outside of the annual bid sidewalk contract, and part of it is due to rising costs. More information about SID contract numbers is shown in Table 2.

An additional reason to raise SID fees is to continue to build new sidewalk in City. As you might imagine much of the “easy” sidewalk has been built in the City over our history. The areas that are missing sidewalk tend to be complicated by challenging topography. In order to construct new sidewalk, we often need to regrade slopes, build retaining walls, or shift the roadway over a bit. We would like to continue extending our city sidewalk network, but the costs are challenging. Additional funding would allow us to construct some of the locations we have designed such as upper Elm Street, Giles Street to the Wildflower Preserve, upper East State Street from Bridge Street to Cornell Street, upper Hudson Street.

### **Proposed Sidewalk Improvement District Fee Increase**

The current sidewalk assessment fee is based on a few factors. First, if the property is a “low foot traffic lot” (basically a one-family or two-family dwelling), the fee is just based on a basic maintenance fee of \$70/year. Alternatively, if the property is not a low foot traffic lot (basically any other parcel, with a few exceptions), the fee is based on three components: a \$140/year maintenance fee, the gross square footage of the



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buildings on the property (currently \$0.015/sf), and a frontage fee based on street frontage (currently \$30 for every 55 feet of street frontage).

Based on the various factors that go into calculating the fee for any parcel, there are a number of ways to raise the fee. Staff has considered a few permutations and would like to suggest the following fee increase.

For low foot traffic lots, increase the basic maintenance fee by \$10/year, from \$70 to \$80.

For non-low foot traffic lots:

- Increase the maintenance fee by \$10/year, from \$140 to \$150
- Increase the building square footage fee by \$0.005/sf, from \$0.015 to \$0.02
- Increase the frontage fee by \$20/segment, from \$30 to \$50 for each 55 foot segment along the street

Increasing the maintenance fee for all lots in the SIDs by \$10 would generate approximately \$53,000/year.

Increasing the building square footage fee by \$0.005 would generate approximately \$75,000/year. These fees only apply to non low foot traffic lots.

Increasing the frontage fee by \$20 would generate about \$115,000/year. These fees only apply to non-low foot traffic lots.

Summing these increases, the proposed fees would generate just under \$250,000/year more, taking the overall annual assessment from about \$900,000 to \$1,100,000.



Pics. from 2017 construction; 100 Stewart Ave.



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To help illustrate how these fee increases would affect different properties, please find some examples below.

| Type of Property                                                               | Current SID Fee | Proposed SID Fee |
|--------------------------------------------------------------------------------|-----------------|------------------|
| Single Family Home                                                             | \$70            | \$80             |
| Collegetown Apartment Bldg<br>(312 College Ave)                                | \$1,916         | \$2,548          |
| Small Business (Hair It Is)<br>312 South Street                                | \$185           | \$220            |
| Walmart                                                                        | \$3,300         | \$4,375          |
| Downtown Affordable<br>Housing (Breckenridge Place,<br>100 West Seneca Street) | \$1,120         | \$1,510          |
| Church (Immaculate<br>Conception, 113 N. Geneva<br>St.)                        | \$440           | \$660            |
| Dentist Office (Integrated Oral<br>Health, 1025 N. Tioga St)                   | \$275           | \$360            |
| Agway                                                                          | \$1,520         | \$2,290          |
| South Hill apartments (213-<br>215 Columbia Street)                            | \$260           | \$330            |



Pics. from 2018 construction; 100 W. Court St.



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Table 1. Revenue for each sidewalk district by year (includes work credits).

|                     | <b>SID 1</b> | <b>SID 2</b> | <b>SID 3</b> | <b>SID 4</b> | <b>SID 5</b> | <b>TOTAL</b> |
|---------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 2015                | \$158,842    | \$149,769    | \$270,529    | \$164,233    | \$116,330    | \$859,703    |
| 2016                | \$158,843    | \$149,118    | \$269,839    | \$165,904    | \$117,709    | \$861,413    |
| 2017                | \$160,690    | \$154,241    | \$269,200    | \$166,833    | \$119,254    | \$870,218    |
| 2018                | \$158,921    | \$150,883    | \$266,703    | \$164,802    | \$114,567    | \$855,876    |
| 2019                | \$157,968    | \$150,082    | \$273,748    | \$165,226    | \$116,450    | \$863,424    |
|                     |              |              |              |              |              |              |
| % change<br>'15-'19 | -0.6%        | 0.2%         | 1.2%         | 0.6%         | 0.1%         | 0.4%         |

Table 2. Information about each SID contract by year

| <b>SID Contract Prices</b>                         | <b>2015</b> | <b>2016</b> | <b>2017</b> | <b>2018</b> |
|----------------------------------------------------|-------------|-------------|-------------|-------------|
| Total Linear Feet of Sidewalk Replaced by Contract | 7,632       | 7,100       | 5,400       | 5,200       |
| \$/linear foot of 5' wide sidewalk                 | \$83.18     | \$85.75     | \$100.27    | \$107.52    |
| \$/square foot of sidewalk                         | \$16.64     | \$17.15     | \$20.05     | \$21.50     |
| % change from previous year                        | N/A         | 3%          | 17%         | 7%          |
| % change from '15-'18                              |             |             |             | 29%         |



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### Approval Process

Engineering division staff would like to propose the following process to approve the increased sidewalk assessment fees.

|          |                                                                                                                                                                                                                                   |
|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| May      | Staff circulates this memo to Common Council and the Board of Public Works                                                                                                                                                        |
| June     | Staff presents the proposed fee increases as part of the public outreach for the 2020 SID work programs, showing what work would be included in 2020 with the additional funds. Written comments are taken until the end of June. |
| July     | Proposed 2020 work plan is presented to BPW<br>BPW holds public hearing on proposed 2020 SID assessments                                                                                                                          |
| August   | BPW approves 2020 work plan and recommends SID assessments to CC and Mayor for inclusion in Mayor's 2020 Budget                                                                                                                   |
| October  | Mayor publishes recommended 2020 budget, including SID work plan and assessments                                                                                                                                                  |
| November | Common Council approves SID work plan and assessments as part of the 2020 budget approval process.                                                                                                                                |

Note: If the Board of Public Works is not interested in the higher sidewalk rates, they can approve a work plan that fits within the current sidewalk assessments (as adjusted by property information provided by Tompkins County Assessment. If BPW approves the higher rates, but Common Council does not want to approve the increases, Council can override the 2020 SID work plan and adopt the existing rates.