

Resolution, File No. 46364 / Attached at request of Ald. Denise DeMarb (3/20/17)

March 17, 2017

Alders:

Re: Project11433

I do not oppose the Complete Streets policy as adopted by Madison. I do support the recommendations by the Board of Public Works for this current project. However, I oppose the method of special assessments for paying for it.

Before November 2016, the majority of residents in my neighborhood had not even heard of the concept of Complete Streets. The engineering folks telling us about the project in our neighborhood spent very little time explaining the history of this concept even though our neighborhood and probably other neighborhoods in our city with unimproved streets will be financially impacted by this (i.e. our neighborhood has received special assessments for sidewalks, curb and gutter). The financial impact to my husband and I is \$6700 for the cost of curb and gutter. The aggregate cost to my neighborhood (178 homes) for 3 of 4 projects to date is: \$1,312,805.29. I was unable to locate information for a fourth project which I believe was completed in 2010-2011 (Camden Road).

We were told that a special assessment is appropriate for the expense as homeowners benefiting from the improvement (i.e. our home value will increase). I question that we are getting any more benefit than the city is. The city may benefit from having to resurface the street quite as often and the city will benefit because of the increase in property taxes to homeowners resulting in the home value increase. I question that the increase in value offsets the cost, which is a consideration in determining whether or not a special assessments for this work is appropriate.

A "very little" background:

"Oregon enacted the first Complete Streets-like policy in the United States in 1971, requiring that new or rebuilt roads accommodate bicycles and pedestrians, and also calling on state and local governments to fund pedestrian and bicycle facilities in the public right-of-way.<sup>[3]</sup> Since then, 16 additional state legislatures have adopted Complete Streets laws.<sup>[4]</sup>

[https://en.wikipedia.org/wiki/Complete\\_streets](https://en.wikipedia.org/wiki/Complete_streets) "(I believe that there are more states that adopted Complete Street Laws but that's not integral to my point.)

Here's one article that I found that I would like to share with you. I have spent hours looking for information and most of what I have found didn't provide statistics to support the value of improved streets to the individual property owner.

I offer you the following to consider as well as an attachment with a table:

An Economic Analysis of the Value of Local Street: Improvements In Springfield, Oregon June 2012 <https://pdfs.semanticscholar.org/0a4d/5db672591f612dd48a86916499b731637bbd.pdf>



Excerpt from pages 36 and 37:

“This study applies a hedonic pricing model to single-family residences in Springfield, Oregon to analyze the impact of local street condition and street improvements on residential house prices between 2006 and 2012. It then uses the resulting estimates to conduct a cost benefit analysis for the average homeowner. The ultimate goal of this analysis is to determine why local streets have remained unimproved despite deteriorating street conditions during this time period.

“The principal findings of our study are that better street pavement corresponds to higher sale prices, but the benefits are most pronounced for homes sold above minimum price thresholds. In addition, our statistical analysis finds that the most significant homeowner benefits result from paving gravel streets. **Using the results from our statistical models, our cost-benefit analysis indicates that private benefits from local street improvements are not large enough to offset total construction costs, with the exception of paving gravel streets.** Based on these findings, we conclude that for these street improvement projects to be economically beneficial for all stakeholders there must exist enough public benefits to make up the difference between the private benefits and total project costs. And in the event large enough public benefits can be identified, the City of Springfield should consider ways to publically finance the remaining costs in order to achieve an efficient outcome.

While the results of our study shed light on potential private benefits for Springfield homeowners, our study could be improved with more data and better randomization of street selection using an experimental process like that outlined in Gonzalez-Navarro and QuintanaDomeque (2010). Also, the primary focus of our study was the impact of street surface condition on house prices. A more complete picture of the private benefits of a fully improved 37 local street could be gained by looking in more detail at the additional amenities of a fully improved local street including the combined effects of things like **street trees**, street lights, and traffic control devices.”

We almost lost **29 trees** because sidewalk was originally recommended for our street, Douglas Trail, and Acacia Lane.

There are probably other studies that I didn't find and some may support and some may not support that homeowners directly and solely benefit from the local street improvements. Other cities have found a way to pay for this without assessing individual homeowners. I think the organization that lobby's for Complete Streets , SmartGrowthAmerica would support that approach and not special assessments.

As stated by SmartGrowthAmerica: “We work with **real estate developers and investors to capitalize** on market demand for homes and offices in walkable neighborhoods.”

<https://smartgrowthamerica.org/our-vision/our-work/>

Thank you for your consideration.

Figure 5  
Private Benefits vs. Total Costs for Street Improvement Types

