



## Legislation Text

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**File #: 2028-2024, Version: 1**

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### **1. BACKGROUND**

This ordinance authorizes the Department of Public Utilities to submit information to the Franklin County Auditor or other county auditors as appropriate for property tax assessments. These assessments are for lighting improvements made as part of the Morningstar & North Forty Street Lighting project, CIP #670860-100000.

The Morningstar & North Forty Street Lighting project installed overhead street lighting within an area bounded by Sullivant Avenue, Galloway Road, Stallion Drive, and Carral Gate and Countrie View. Property owners in this area submitted petitions for an LED street lighting system with decorative poles and underground wiring. These petitions were submitted to City Council through the City Clerk's Office. Resolution 0364X-2018, passed by City Council on 12/10/18, authorized the Director of Public Utilities to cause plans and specifications to be prepared for installing an LED decorative street lighting system with underground wiring in the Morningstar & North Forty Street Lighting project area under the assessment procedure.

Ordinance 3126-2018, passed by City Council on 12/10/18, authorized the Director of Public Utilities to enter into professional engineering services agreements with EMH&T, Inc. for the Morningstar/North-Forty and Circuit 30 Street Lighting Upgrade Improvements Projects. This contract designed the lighting improvements.

Resolution 0014X-2019, passed by City Council on 2/4/19, authorized the Director of the Department of Public Utilities to declare the necessity of installing a light-emitting diode (LED) street lighting system with ornamental poles and underground wiring in the Morningstar & North Forty Street Lighting project area under the assessment procedure.

A "Notice of Proposed Improvement and Estimated Assessments" for the Morningstar & North Forty Street Lighting project was sent via certified mail to each property owner of record in the project area on 8/7/20. PN0213-2020 was published in the City Bulletin in September of 2020 duplicating this notice and listing all property owners for which the certified letter was either returned as undeliverable or for which a signed certified mail receipt was not returned.

Objections to the estimated assessments for the proposed improvement were submitted to the City Clerk. Resolution 0180X-2022, passed by City Council on 10/3/22, appointed a Board of Revision to hear all objections to the estimated assessments for the Morningstar & North Forty Street Lighting project. The hearings for this Board were to be held in City Council Chambers on 10/27/22. City Council then approved Ordinance 2997-2022 on 11/21/22 authorizing the Department of Public Utilities to proceed with the installation of LED lighting with ornamental poles and underground wiring in the Morningstar-North Forty neighborhood under the assessment procedure.

Construction bids were opened for the project on 12/7/22. Residents in the project area were to be charged the difference in the actual construction cost and the engineer's estimate of the cost of construction using City standard wooden poles and street lights. This preliminary difference was found to be \$161,000. Ordinance 0233-2023, passed by City Council on 1/30/23, authorized the issuance and sale of a special assessment bond anticipation note in the amount of \$161,000.00 for the Morningstar & North Forty Street Lighting project. Ordinance 0691-2023, passed by City Council on 4/17/23, authorized the Director of Public Utilities to enter into a construction contract with Complete General Corporation for the Morningstar & North Forty Street Lighting project.

Per Section 178 (Assessment of Cost) of the City Charter, the entire cost and expense of the improvement, minus the City portion of expenses, can be assessed via ordinance by City Council. Such cost shall include the cost of preliminary and other surveys, the cost of construction, the expense of printing and serving notices, interest on bonds issued to provide funds for such improvement, and any other necessary expenditures connected with said improvement. The final invoices

for construction and construction administration/inspection have been received, allowing these costs to be determined. After comparison to the engineer's estimate for the cost of a City-standard street lighting project, the construction of this project cost \$85,179.22 more than it would have cost to install City-standard street lighting. The cost of design services will not be added to the construction cost as it is believed there was not an additional cost for design. The City has and will incur additional expenses (overhead) for the project such as interest on the bonds issued for the assessment portion of the project; the cost to issue the bonds; the cost to prepare and send notices and invoices; preparing assessment information to go to the Franklin County Auditor; processing payments received; staff time spent working with the Franklin County Auditor for two years on assessment collections and adjustments; and staff time spent responding to inquiries about the assessments and payment amounts.

The cost per property owner is going to be calculated by multiplying the cost of construction times the bond interest rate and dividing it by the number of properties. Property owners will be invoiced this amount of \$304.00. The department is willing to waive charging additional project overhead on these initial invoices as an incentive for quick payment and avoiding the additional expense of the assessment process. Property owners that pay this invoice in full will not be assessed. Property owners that do not pay this invoice will be assessed \$380.00 to be paid over two years. The extra amount is due to the addition of a twenty-five percent overhead recovery charge that was waived on the initial invoice. Property owners that pay a partial amount will be assessed the invoice balance plus the twenty-five percent overhead recovery charge.

Attached to this ordinance is a list of properties that will be invoiced for the Morningstar & North Forty Street Lighting project. The Franklin County Auditor has a deadline of early September for a list of assessments to be submitted for the next tax year. The deadline for submission to the Franklin County Auditor does not allow time for property owners to be invoiced and to pay prior to this submission deadline if City Council should approve this ordinance. Property owners that make full or partial payment before property tax bills are issued in January will be removed from this list or have the assessment amount adjusted accordingly. Properties may also need to be added or subtracted to the list to reflect any errors or omissions in the list.

## **2. FISCAL IMPACT**

Public Utilities has expended funds to make the street lighting improvements and additional funds are not required. An invoice will be sent to property owners seeking reimbursement of the property owner share of this improvement. This ordinance is necessary to allow the eventual reimbursement of Public Utilities through the property tax assessment process for the funds already expended if property owners do not pay their invoice in full.

To authorize the Director of the Department of Public Utilities to submit information to county auditors for assessment of properties for their share of the Morningstar & North Forty Street Lighting project; to authorize adjustments to the assessment list to reflect payments received prior to the submission for assessment or to correct errors; to authorize adjustments to the assessment amounts to correct errors or resolve disputes; and to authorize funds received for these assessments to be returned to the Department of Public Utilities. (\$0.00)

**WHEREAS**, property owners in the Morningstar-North Forty area submitted petitions for an LED street lighting system with decorative poles and underground wiring; and

**WHEREAS**, Resolution 0364X-2018, passed by City Council on 12/10/18, authorized the Director of Public Utilities to cause plans and specifications to be prepared for installing an LED decorative street lighting system with underground wiring in the Morningstar-North Forty project area under the assessment procedure; and

**WHEREAS**, Ordinance 3126-2018, passed by City Council on 12/10/18, authorized the Director of Public Utilities to enter into professional engineering services agreements with EMH&T, Inc. for the design of the Morningstar & North Forty Street Lighting project; and

**WHEREAS**, Resolution 0014X-2019, passed by City Council on 2/4/19, authorized the Director of the Department of Public Utilities to declare the necessity of installing a light-emitting diode (LED) street lighting system with ornamental

poles and underground wiring in the Morningstar-North-Forty project area under the assessment procedure; and

**WHEREAS**, a “Notice of Proposed Improvement and Estimated Assessments” for the Morningstar & North Forty Street Lighting project was sent via certified mail to each property owner of record in the project area on 8/7/20; and

**WHEREAS**, PN0213-2020 was published in the City Bulletin in September of 2020 duplicating this notice and listing all property owners for which the certified letter was either returned as undeliverable or for which a signed certified mail receipt was not returned; and

**WHEREAS**, objections to the estimated assessments for the proposed improvement were submitted to the City Clerk; and

**WHEREAS**, Resolution 0180X-2022, passed by City Council on 10/3/22, appointed a Board of Revision to hear all objections to the estimated assessments for the Morningstar & North Forty Street Lighting project; and

**WHEREAS**, City Council approved Ordinance 2997-2022 on 11/21/22 authorizing the Department of Public Utilities to proceed with the installation of LED lighting with ornamental poles and underground wiring in the Morningstar-North Forty neighborhood under the assessment procedure; and

**WHEREAS**, Ordinance 0233-2023, passed by City Council on 1/30/23, authorized the issuance and sale of a special assessment bond anticipation note in the amount of \$161,000.00 for the Morningstar & North Forty Street Lighting project; and

**WHEREAS**, Ordinance 0691-2023, passed by City Council on 4/17/23, authorized the Director of Public Utilities to enter into a construction contract with Complete General Corporation for the Morningstar & North Forty Street Lighting project; and

**WHEREAS**, the City of Columbus, Department of Public Utilities, has completed the Morningstar & North Forty Street Lighting project; and

**WHEREAS**, property owners in the Morningstar & North Forty Street Lighting project will be invoiced for their share of the improvement cost; and

**WHEREAS**, a property tax assessment must be established with the Franklin County Auditor or other appropriate county auditors for the Department of Public Utilities to recover these funds if the property owner does not pay the invoice in full; and

**WHEREAS**, this ordinance authorizes the Department of Public Utilities to submit information to the Franklin County Auditor or other appropriate county auditors to establish the property tax assessments to recover the funds; **NOW, THEREFORE**

**BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:**

**SECTION 1.** That the Director of the Department of Public Utilities is authorized to submit information to the appropriate county auditors pursuant to City Code for assessment of properties listed in the attachment for the Morningstar & North Forty Street Lighting project.

**SECTION 2.** That the Director of the Department of Public Utilities is authorized to make adjustments to this list to reflect payments received or to correct errors or omissions.

**SECTION 3.** That the Director of Public Utilities is authorized to make adjustments to the assessment amounts submitted to the appropriate county auditors to correct errors or omissions or resolve disputes.

**SECTION 4.** That the funds the city receives which are collected for these assessments are to be returned to the Department of Public Utilities.

**SECTION 5.** That this ordinance shall take effect and be in force from and after the earliest period allowed by law.