

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS
Acting as Governing Body of Clackamas County Development Agency
and Clackamas County Service District No. 1

Study Session Worksheet

Presentation Date: Nov. 26, 2013 **Approx Start Time:** 2:30 pm **Approx Length:** 15 min

Presentation Title: AD2009-1 Sewer Assessment Safety Net Grant Program Update

Department: Development Agency and Water Environment Services

Presenters: Dan Johnson, Kathy Frasier

Other Invitees: Ken Itel, Ryan Johnson, Ellen Rogalin

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

Approval of proposed revisions to the AD2009-1 Sewer Assessment Safety Net Grant Program.

EXECUTIVE SUMMARY:

On May 2, 2013, a public hearing was held to formally adopt the final assessment and establish the assessment district, known as AD2009-1, to fund construction of sanitary sewer improvements in the North Clackamas Revitalization Area (NCRA).

From concept to construction, the Development Agency and Water Environment Services have been partnering to minimize costs with the intent of ensuring that these assessments were manageable for NCRA residents. Affordability has and will remain a focus. In light of this, the Agency developed the Sewer Assessment Safety Net Grant Program. Generally speaking, the program qualifications are:

- Home owners have applied with Clackamas County Service District #1 to pay their sewer AD2009-1 assessment in installments;
- Applicant owns or is buying the residential property;
- Applicant lives in the home;
- Applicant's annual household income does not exceed 200% of the most recently published poverty guidelines, based on household size; (one and two person households are based on the guidelines for a three person household); and
- Applicant's net household assets, excluding primary residence, its contents and two primary vehicles, do not exceed \$35,000.

For applicants qualifying for this grant, that year's principal portion of the sewer assessment is covered. The applicant is still liable for the interest portion of the annual assessment. The first offering of this grant program closed in August 2013. Forty-five residents met the eligibility requirements and were awarded a total of \$20,269.

Looking back at this first offering, staff is proposing a few modifications to reduce overhead costs and streamline future offerings. The proposed modifications include:

1. **Fixed-Income Seniors and Permanently Disabled-Only Incomes:** Residents falling under one or both of these two categories who have been previously approved through the grant program will be offered a streamlined approval process. Once approved, the applicants will be able to sign, in the presence of a notary public, a standardized form developed by staff with assistance from County Counsel, attesting to the fact that their financial circumstances have not changed since originally filing for the grant program. This fast track process will be available for a maximum of four years following original grant

approval. If there are additional requests extending beyond the fifth year, the applicant will be required to submit new financial data.

2. Adjust Grant Program eligibility Criteria:

- Eliminate retirement savings such as IRAs, 401k programs or other pension saving programs up to \$100,000 from counting against the asset limit.
- Allow medical expenses shown as deductions on income tax returns to not count against the total income limit.

3. Expand Outreach: While a number of direct mailings were sent out originally to inform residents of this program, additional efforts will be made to include the grant program with outreach for H3S programs.

4. Formalized Application Assistance: Future offerings will include formalized application assistance with scheduled times to meet with staff to assist local residents with necessary application materials.

These revisions are minor in nature but should improve the grant program while reducing implementing costs, which will provide more funds to assist those in greatest need. The next opportunity to offer the grant program is with Clackamas County Service District #1's January 2014 sewer assessment billing.

FINANCIAL IMPLICATIONS (current year and ongoing):

The grant program is funded through North Clackamas Revitalization Area urban renewal funds. Grant funds approved are applied directly to property owners' assessment balances. There is no impact to the County General Fund.

LEGAL/POLICY REQUIREMENTS:

There are no legal or policy requirements associated with the grant program.

PUBLIC/GOVERNMENTAL PARTICIPATION:

Development Agency and Water Environment Services staff have and will continue to provide information about the program to NCRA residents.

OPTIONS FOR CONSIDERATION:

1. The Board supports the recommended revisions to the program for implementation in subsequent grant program offerings.
2. The Board requests additional information prior to supporting the recommended revisions.
3. The Board requests staff to explore alternative or additional revisions to the grant program prior to implementation.

RECOMMENDATION:

Staff respectfully recommends that Board support staff's recommended revisions to the Sewer Assessment Safety Net Grant Program.

SUBMITTED BY:

Division Director/Head Approval _____

Department Director/Head Approval _____

County Administrator Approval _____

[Handwritten Signature]
H. B. Carlsson 11-20-13

For information on this issue, please contact Ken Itel @ 503-742-4324