

# Memo

**To:** City Council  
**From:** Bryan Myrkle, Community Development Director  
**Date:** August 4, 2016  
**Re:** Downtown Sidewalk Snow Removal Special Assessment

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The City of Charlotte Downtown Development Authority has been contracting with a private vendor for downtown sidewalk snow removal for the past 8 years. For most of that time (seven years) the service has been paid for by special assessment. The first year it was paid for entirely by the DDA as a demonstration of the service prior to instituting the assessment.

The vendor was originally chosen by a public bidding process. However, since that time, we have negotiated extensions of the contract, provided that we can keep the cost at the established level, or lower.

The vendor, Eric Rogers, LLC has agreed to a four-year extension of the contract at a rate of \$10,800 per year. This is a reduction from the previous contract, which was \$12,280 per year; and the original low-bid contract, which was \$14,018.32 per year. As I understand it, the vendor has been able to make these reductions due to the equipment used downtown being paid-off, and their processes getting more efficient as they've gained experience with the job.

Currently, the expense of the service is off-set by the special assessment levied at a rate of \$2.00 per linear foot of property frontage. So, for example, if a downtown storefront is 30 feet wide, it would have an annual assessment of \$60.00.

While the service is contracted for by the DDA and the revenue and expense booked in the DDA portion of the City's budget, Special

Assessments are the authority of the City Council and must be handled at the Council level. **Because the entire Special Assessment process entails the passage of 5 separate City Council resolutions, we are placing them on the Expedited portion of the agenda, so that the issue does not require 10 separate votes.** The first two resolutions can be handled concurrently, and both appear on this Monday evening's agenda.

The City Council requires a report on this proposed Special Assessment that details the plans, cost estimate, description of the special assessment district and such other pertinent information as will permit the Council to decide the cost, extent and necessity of the public improvement and what portion of the cost should be paid by the City at large.

### **That information is contained in the following report:**

The assessment for downtown sidewalk snow removal was originally instituted to help solve a number of different problems.

The first was the inconsistency of snow removal when left to each individual property owner to manage for themselves. Despite there being an ordinance in place requiring snow removal, in some cases it was not done in a timely fashion, and in others it was not done at all. This resulted in a checkerboard of both clean and unkempt sidewalk. It also meant that, even if a business owner did a great job keeping their own portion of walk clean, it was meaningless if the property owners on either side of them did not.

The second problem was that enforcement of the snow removal ordinance was extremely unpopular downtown. The cost of having the city clean the walk when the property owner failed to do it was very high, and this enforcement could happen several times per year if the property owner wasn't diligent.

A third problem was that private sidewalk snow removal downtown was getting harder to procure, as the primary vendor had left the business.

The Special Assessment addressed all three of these issues. Because participation is mandatory, the entire length of sidewalk is cleared. Also, because the contractor is stationed downtown basically all day on a snowy day, the walks may get cleared two and three times on a single day. They are also salted to prevent ice build-up.

The problems associated with enforcement are also addressed, as the service ensures that all businesses are in compliance with the ordinance. Furthermore, the cost of the service for an entire year is cheaper than a single enforcement action used to be.

An additional benefit is that **the service provided by the DDA is also significantly cheaper than individual business owners were able to procure from private vendors on their own.** Because we are purchasing the service in volume, there is a significant discount associated with it. We heard from many business owners at the time this was instituted that the cost of the assessment for the entire year was less than they were paying for a month of private service previously.

**The DDA Board is requesting that the sidewalk snow removal assessment remain at the established \$2.00 per linear foot.** The (approx. \$4,000) overage the DDA collects can be accumulated over time to pay for extra snow removal above-and-beyond that covered in the vendor contract when there is an especially serious snow event. This would primarily be used to remove the snow that builds-up in the parking lanes, which is especially frustrating to customers. Each year, this supplementary service is the most commonly requested addition to our sidewalk snow removal program.

The service has been provided on a series of long-term vendor contracts, at first three, and then four years, and the DDA is proposing a four-year contract once again. A longer contract benefits both the property owners in the DDA district, and also the vendor. Property owners can be assured that the rate they pay will be consistent year over year, which would not be the case if the contract were bid or re-negotiated each year. For the vendor, knowing the work will last four years allows them spread equipment costs farther.

The proposed special assessment district itself is unchanged from before. It includes portions of Harris Street, Lawrence Avenue, Lovett Street, Seminary Street, Bostwick Street, Cochran Avenue, and Washington Street – slightly more than 7,400 total linear feet. For more specific detail, please refer to the attached map, which highlights the special assessment district in red.

The proposal would provide sidewalk snow and ice removal for the specified areas each winter season (November 15 to April 15) for the next four years. A public hearing before the Council will need to be held on September 12, in order to receive public comment on this proposal.