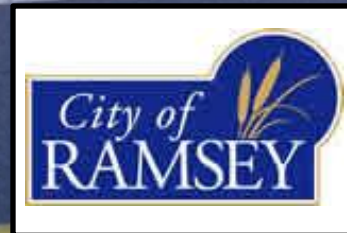


Investing in Our Community, Property Values and Future

**Long-Term Road Maintenance
and Reconstruction Program**

Fall 2011



How Is Life In Ramsey?

June 2011 public opinion survey :

- More than 9 out of 10 respondents believe the quality of life in Ramsey is good or excellent
- Still, road maintenance was identified as one of the two *“most serious issues facing the city”*

Ramsey Infrastructure

- Population boom in the 1970s - 1980s
- 178 miles of city roads
- Roughly half constructed between 1976 and 1985



No Roads Last Forever

**Maximum
life = 40 years
with routine
maintenance**



Between Now And 2025...

- At least \$90 million in road reconstruction will be necessary
- Currently no budget exists to pay for these road projects



What Can We Expect?

Do Nothing:

- Potholes, cracks, crumbling pavement
- Safety risks
- Reduced access
- Impacted property values
- Higher long-term costs; potential delays
- Barriers to growth

Proactive Approach:

- Well-maintained, safer roads
- Improved access
- Spreads out costs
- Removes project roadblocks, higher costs
- Attracts new businesses, jobs, employees

XXXX

[Insert map of road priorities]

Ramsey Residents Prefer A Proactive Approach

**73% of Ramsey residents
said the city should
develop a new policy
to address aging city
roads; 11% felt strongly**

- June 2011 citywide poll



Long-Term Maintenance and Reconstruction Program Goals

Ensure Safety

**Reduce Project Delays;
Avoid Higher Costs**

**Spread Out Cost;
Keep Assessments Low**

**Attract Businesses,
Jobs, Employees**

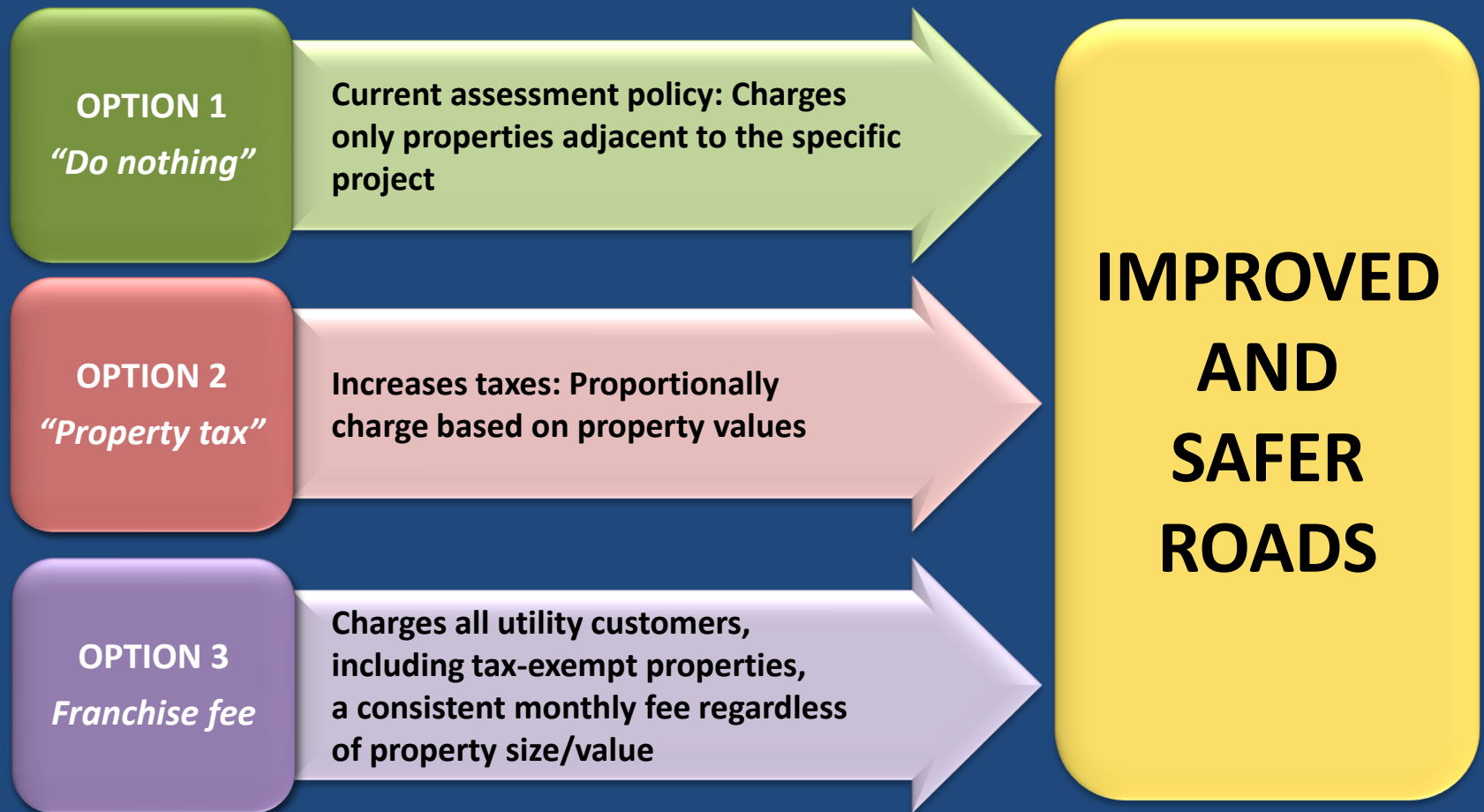
Where Will The Funding Come From?

Level of work required is beyond the routine maintenance provided for in the city's budget

As a result...

The additional costs of reconstruction will largely be the responsibility of city taxpayers.

Three Options To Cover Project Costs:



Option 1: Do Nothing

Current Assessment Policy:

- **Quarter acre lot:** Could cost \$9,000 or \$75/month for 10 years
- **Two acre lot:** Could cost \$27,000 or \$255/month for 10 years

Places significant but short-term burden on property owners — a challenging option in the current economy

Option 2: Property Tax Increase

- **Average \$150,000 home:** Could cost additional \$24/month for up to 40 years
- **Average \$450,000 home:** Could cost additional \$51/month for up to 40 years
- **Business:** [insert price for avg. business]

**Spreads out costs to all property owners
and keeps assessments low**

Option 3: Franchise Fee

- **Residential customers:** Could equal \$28/month for 20-40 years — about the cost of purchasing a cup of coffee each day
- **Commercial/tax-exempt customers:** Could amount to \$54/month for 30-40 years — less than the cost of two staplers



Spreads out the cost to everyone who will benefit

A Transparent, Deliberate Approach

**Nov.-Dec.
2011**

- Continue to seek community input on options

**Jan.-Feb.
2012**

- Ramsey City Council program decision

**Mar.-Apr.
2012**

- Communicate decision, planned projects
- Initiate franchise fee on utility bills

**Summer
2012 – Ongoing**

- Build long-term program funding
- Replace failing roads

Your Involvement Is Important To Success

- **Consider the long-term benefits for your organization:**
 - *Predictability and ability to plan ahead*
 - *Access*
 - *Safety*
 - *Stronger community/business environment*
- **Provide feedback**
- **Work with us to maintain access and minimize disruptions during construction**

Long-Term Road Maintenance And Reconstruction Program

Questions

