Frequently Asked Questions Street Maintenance Fee

WHAT IS THE STREET MAINTENANCE FEE?

- It is a monthly fee which is collected from Corpus Christi residents and businesses and which appears on monthly utility bills.
- The revenue generated is designated to pay for a new systematic planned street maintenance program the Street Preventative Maintenance Program (SPMP).
- The fee is part of a four-part Street Improvement Plan which is designed to improve street conditions through reconstruction, rehabilitation, systematic planned street maintenance, and policy changes.

IS THE MONEY ONLY USED FOR STREET MAINTENANCE?

• Yes, revenues generated by the SMF are only used on the SPMP.

HOW LONG THE SMF IN EFFECT?

• The ordinance which established the SMF includes a sunset or expiration for the fee 10 years after the January 2014 implementation.

HOW MUCH MONEY IS RAISED BY THE STREET MAINTENANCE FEE?

• The street maintenance fee raises an estimated \$11.4 million annually.

WHO PAYS THE SMF?

- The fee applies to properties with active utility accounts and benefitted properties within the City Limits that do not otherwise pay utilities.
- Government-owned properties, public schools, the hospital district, chartered schools, the Port of CC Authority, the Housing Authority and the Regional Transportation Authority are exempt from the fee. (RTA contributes annually for street maintenance.)

WHY DO NON-PROFITS HAVE TO PAY?

• Non-profit agencies are still benefitted properties and are, therefore, subject to the fee.

DO RESIDENTS WHO DON'T OWN VEHICLES HAVE TO PAY?

• Yes, even if you do not own a vehicle or drive the streets, all residents receive goods and/or services that generate travel on our City street system.

WHAT HAPPENS IF I DON'T PAY?

• Failure to pay the Street Maintenance Fee could result in discontinuance of customer utility services.

• Delinquent customers may be subject to a lien placed on their properties.

HOW CAN I DETERMINE HOW THE STREET MAINTENANCE FEE ON MY UTILITY BILL WAS CALCULATED?

- The Street Maintenance Fee charge is calculated as follows: ERU x Trip Factor x \$ 5.38.
- If your land use code is Single Family Residential, your ERU is 1, your Trip Factor is 1 and your Street Maintenance Fee is a flat fee of \$5.38 per month per house. Some properties are large enough to have more than one house. These properties will pay \$5.38 per house on the property.
- If your land use code is Multi-family Residential (apartments, condos, townhomes, mobile homes, manufactured homes, & RV parks), your ERU is 1, your Trip Factor is 0.45, and your Street Maintenance Fee is a flat fee of \$2.42 per dwelling unit. Individually metered units will pay \$2.42. Master-metered properties will pay \$2.42 times the number of dwelling units of the complex or community.
- A Non-Residential customer's Street Maintenance Fee charge is calculated by dividing the Living Area Square Footage provided by the Nueces County Appraisal District by 1500 to get the ERU. Your land use designation has a specific Trip Factor.
- A Non-Residential customer can call the City at (361) 826-2489 to find out what their ERU is or they can visit the NCAD website to determine their Living Area Square Footage and can calculate their ERU by dividing the Living Area Square Footage by 1500.
- The rate for each type of land use is the \$5.38 Street Maintenance Fee Rate times the Trip Factor for that land use.

WHAT IF I DON'T AGREE WITH MY STREET MAINTENANCE FEE CHARGE?

- City Council has approved a process whereby citizens may appeal their Street Maintenance Fee.
- Only certain aspects of the fee calculation are appealable. For more information regarding the appeals process, you can go to the <u>Street Maintenance Fee</u> page or you may complete the <u>Appeal Form</u> and email it or print and bring it to the Utility Business Office on the first floor of City Hall.

WHAT IF I CAN'T AFFORD MY STREET MAINTENANCE FEE?

• Some residential customers may qualify for a Low Income Discount. If you think you may qualify, you can complete the <u>form</u> and turn it in to the Utility Business Office at City Hall (1201 Leopard St.). Qualified residents receive a 50% discount on their Street Maintenance Fee ONLY for a one-year period and must be approved annually.

WHY IS MY LAND USE DESIGNATION TOTALLY DIFFERENT FROM WHAT MY BUSINESS REALLY IS?

- The City is basing its land use designations on information in the Institute of Transportation Engineers Trip Generation Manual Edition 9 ("Manual"). City Council approved the use of 129 Non-residential land use categories from this Manual.
- All Non-Residential properties must be assigned to one of the 129 land uses.

• If a property has a land use that is not one of the 129 approved categories, the City will assign one of the 129 categories which has a traffic pattern most closely matching the land use of the property.

WHY AM I RECEIVING A STREET FEE BILL WHEN I DON'T TAKE ANY CITY SERVICES?

- Any property within City Limits which is not exempt and which has living area square footage as defined by the Nueces County Appraisal District is eligible to be charged the Street Maintenance Fee.
- Some properties in the far northwest side of town or on the north end of Padre Island may not receive City services, but are subject to the Street Maintenance Fee. Additionally, some properties appear to be occupied, but may not have a utility account.
- Where a benefitted property exists which does not otherwise take City services, the property owner is billed for the Street Maintenance Fee.
- If there is an occupant other than the property owner using the property, the property owner may request that the Street Maintenance Fee account be placed in that occupant's name.

WHY ARE THE STATE AND CITY EXEMPT?

• Taxing entities or schools which are financed through public funds are exempt because the fee would be passed on to taxpayers, which would result in taxpayers paying the street maintenance fee twice: once for their home or business and then again through their property taxes.