



Expanding Water and Sewer Assessment Assistance Program

*Phase V Annexation Area
City Council Work Session
May 4, 2026*

- Program established to assist homeowners with required water and sewer costs
- Phase V Annexation includes approximately 8,000 parcels; construction through 2037
- Residents annexed in 2006 are still awaiting service
- Council requested evaluation of potential program modifications, including eligibility up to 120% AMI



- Owner-occupied households only
- Income eligibility capped at **80% AMI**
- Provides up to **\$2,000 toward \$5,000 assessment**
- Provides up to **\$900 for plumber connection costs**
- Assessment financed over 10 years (~\$40–\$50/month; ~\$25–\$30 with assistance)
- **Two-year application window**
- Recent utilization: **~1–3 households annually**

- Should eligibility be expanded up to **120% AMI**?
- Should assistance focus on:
 - **Upfront connection costs**, or
 - **Monthly payment reduction**?
- What level of General Fund investment is appropriate?



- Maintain **\$2,000 assessment assistance**
- Expand eligibility to **120% AMI**
- **Remove two-year application window**
- Allow assistance for **assessment or facility investment fee** (if not previously assisted)
- Tiered plumber assistance:
 - Workforce income ($\leq 120\%$ AMI): 10%, NTE \$1,000
 - Moderate income (80–120% AMI): 50%, NTE \$5,000
 - Low income ($\leq 50\%$ AMI): 100%, NTE \$7,500
- Cost: ~ 20 households \times $\sim \$4,000 = \sim \$80,000$ annually

- Provide **100% of \$5,000 assessment**
- Expand eligibility to **120% AMI**
- Provide up to **\$1,000 for plumber costs**
- **Maintain two-year application window**
- Focus on reducing **monthly payment burden**
- Cost: $\sim 20 \text{ households} \times \sim \$6,000 = \sim \$120,000 \text{ annually}$



- Maintain eligibility at **80% AMI**
- Maintain **\$2,000 assessment assistance**
- Maintain up to **\$900 plumber assistance**
- Maintain **two-year application window**
- No changes to current program structure or funding
- **Cost:** Current funding level: **~\$20,000 annually**



- **Option 1**

- Targets lower-income households
- Addresses **upfront cash barrier**
- Moderate cost (~\$80K)

- **Option 2**

- Uniform assistance across households
- Reduces **monthly payments**
- Higher cost (~\$120K)

- **Option 3**

- No program changes
- Lowest cost (~\$20K)
- Limited impact on connection rates



- Select one of the three program options:
 - Option 1: Tiered, cash-flow focused assistance
 - Option 2: Full assessment coverage
 - Option 3: Maintain current program
- Consider funding needs as part of the upcoming budget process
- Direct staff to revise the Standard Operating Procedure: Water and Sewer Assessment Assistance Program
- Direct staff to return with proposed revisions to City Council Policy 150.1, Water and Sanitary Sewer Utility Assessments, if required

Questions?



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