

## KENAI PENINSULA BOROUGH

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MIKE NAVARRE BOROUGH MAYOR

TO:

Dale Bagley, Assembly President

Members, Kenai Peninsula Borough Assembly

THRU:

Mike Navarre, Mayor R.O. for M.V.

Tom Anderson, Director of Assessing

FROM:

Marie Payfer, Special Assessment Coordinator

DATE:

April 23, 2015

SUBJECT:

Resolution 2015-016, A Resolution to Form the Winridge Avenue – Eagle Ridge

Court Road Improvement Assessment District and Proceed with the Improvement

This memo is intended to fulfill the requirement for a mayor's report regarding the proposed Winridge Avenue – Eagle Ridge Court RIAD under KPB 14.31.090(A). The information provided here is detailed in the referenced exhibits to this memo.

Property owners in the proposed Winridge Avenue – Eagle Ridge Court Road Improvement Assessment District (RIAD) have followed the process described in KPB chapter 14.31, with the goal of paving the roadways within the proposed district. At its meeting of February 17, 2015, the Road Service Area Board adopted RSA Resolution 2015-01, approving the petition for formation of this RIAD prior to its circulation among benefited property owners and approving up to \$111,779.28 as the RSA match for this project (see Exhibit 1). The sponsor circulated the petition and obtained the signatures of more than 70 percent of the property owners within the proposed district boundaries. The next step, now before the assembly, requires the assembly to adopt a resolution to form the district and proceed with the improvement.

Under KPB chapter 14.31, a sponsor must submit their RIAD application by June 1 for construction to occur during the following year. Thus, the application for any RIAD project expected to begin construction in 2015 should have been submitted no later than June 1, 2014. The sponsor of this proposed RIAD has requested assembly approval for an exception (essentially, an extension) to the application deadline of June 1, 2014. The basis for her request is that the roadway was improved as part of the 2014 capital improvement project (CIP) road upgrade, and completing the pavement construction in 2015 would avoid unnecessary deterioration of the recent road upgrades. The application was submitted on July 29, 2014, after the CIP was completed. The RSA board received and reviewed the RIAD application on September 9, 2014. A motion to approve the exception to the deadline for a RIAD application was passed by the RSA board at the recommendation of RSA staff.

A completed petition for the formation of the Winridge Avenue - Eagle Ridge Court RIAD was received by the borough on March 18, 2015. On March 19, 2015, the borough clerk subsequently certified the petition with 17 of 24 property owners (70.83%) supporting the proposed district (see Exhibit 2), sent all required notices to the property owners, and published the required information concerning the proposed district as required by borough code. This matter is now presented to the assembly for approval to proceed with the project. Any objections received will be provided to the assembly on the hearing date.

The attached exhibits include all of the information required by KPB 14.31.090(A) for the assembly's consideration, including:

- 1) A legal description of the benefited parcels and a map of the proposed district. See Exhibit 3, the estimated assessment roll, and Exhibit 4, a map of the proposed Winridge Avenue Eagle Ridge Court RIAD.
- 2) A description of the current condition of the rights-of-way proposed for improvement and a statement of the need for the proposed local improvement. See Exhibit 5, the staff report directed to the RSA board dated September 9, 2014.
- 3) The proposed allocation of the cost of the improvement among parcels in the district is by equal allocation to each of the benefited parcels in the proposed district. See Exhibits 3 and 6, RIAD Profile Information sheet.
- 4) The estimated amount to be assessed against each parcel is \$4,657.47. See Exhibits 3 and 6.
- 5) A profile of the parcels in the proposed district, including the nature of ownership and status of tax payments. See Exhibits 5 and 6. Out of 24 parcels within the proposed district, one parcel is currently delinquent in the payment of real property taxes. This is equivalent to 4.17 percent of the total number of parcels, and as such KPB 14.31.080, which requires that no more than 10 percent of the parcels in the proposed district be delinquent in the immediately preceding tax year, is satisfied.
- 6) Whether there are other special assessment liens against any of the parcels in the proposed district. See Exhibits 3 and 6. There are no other borough special assessment liens on parcels in this district.
- 7) A description of any benefited parcels that exceed the assessment-to-value ratio set forth in KPB 14.31.080(A). No lien will exceed 25 percent of the value of a parcel as required by borough code. There are 22 improved parcels, which range in value from \$215,000 to \$543,300. There are two unimproved parcels range in value from \$28,800 to \$154,400; however, construction of improvements on one of these parcels began during the 2014 construction season. The assessed values indicate the assessment per parcel will be substantially less than the 25 percent maximum, and all have sufficient value to support the estimated assessment lien of \$4,657.47. See Exhibits 3 and 5.

- 8) The method of financing the improvement, e.g., bonding, borough investment, or a combination. This project will be financed as a borough investment pending enactment of Ordinance 2014-19-52. See Exhibit 7, April 6, 2015 memo from the Finance Director.
- 9) All estimated costs of the improvement set forth in KPB 14.31.110. See Exhibits 3 and 6; see also Exhibit 8, the engineer's estimate of cost for this project.

Staff will be available at the May 5, 2015, assembly meeting to answer any additional questions.