

CLERK'S OFFICE

APPROVED

Date: 5/20/08

Submitted by: Chairman of the Assembly
at the Request of the Mayor
Prepared by: Project Management &
Engineering Department
For reading: March 25, 2008

ANCHORAGE, ALASKA
AR NO. 2008- 60

1 **A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE APPROPRIATING ONE**
2 **HUNDRED NINETY-FIVE THOUSAND SEVEN HUNDRED FIVE DOLLARS**
3 **(\$195,705) AS PAYMENT IN LIEU OF SUBDIVISION AGREEMENT OBLIGATIONS**
4 **FOR ROAD, PEDESTRIAN AND INTERSECTION IMPROVEMENTS FROM**
5 **TIDEVIEW DEVELOPMENT, INC. TO THE ANCHORAGE ROADS AND DRAINAGE**
6 **SERVICE AREA CAPITAL IMPROVEMENT FUND (441), PROJECT MANAGEMENT**
7 **& ENGINEERING DEPARTMENT, FOR IMPROVEMENTS OF INDEPENDENCE**
8 **DRIVE AND O'MALLEY ROAD.**

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10
11 WHEREAS, Tideview Development Inc., the Developer of Ridgemont, Phase 2
12 Subdivision, entered into a subdivision agreement with the Municipality on May 25,
13 2000. and part of the conditions to plat, the developer was to construct Independence
14 Drive from South of Colony Loop to O'Malley Road to Urban Secondary Standards,
15 specifically, a 24-foot-wide strip-paved road with an 8-foot-wide detached walkway; and
16

17 WHEREAS, per the platting board findings of facts and decisions (for) S-10549-3
18 Ridgemont Subdivision dated June 7, 2006, the Platting Authority resolved that the
19 request to accept a \$195,705 payment in lieu of subdivision agreement obligations for
20 road, pedestrian and intersection improvements only was appropriate given the
21 circumstances of this case; and
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23 WHEREAS, the Municipality of Anchorage has this section of the road in its 2008-2011
24 Capital Improvement Program to construct as a collector street; and
25

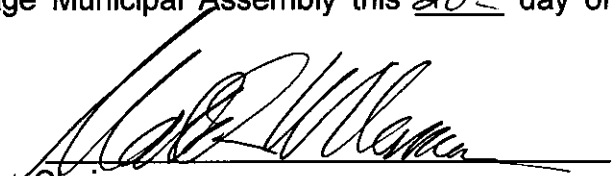
26 WHEREAS, the Municipality has received payment of the \$195,705; now therefore,
27

28 **THE ANCHORAGE ASSEMBLY RESOLVES:**
29


30 **Section 1.** That the sum of One Hundred Ninety-five Thousand Seven Hundred Five
31 Dollars (\$195,705) from Tideview Development, Inc. be appropriated to the Anchorage
32 Roads and Drainage Service Area Capital Improvement Fund (441), Project
33 Management & Engineering Department, for Independence Drive from South of Colony
34 Loop to O'Malley Road.
35

36 **Section 2.** That this resolution shall take effect immediately upon passage and
37 approval by the Anchorage Municipal Assembly.
38

1 PASSED AND APPROVED by the Anchorage Municipal Assembly this 20th day of
2 May, 2008.
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4

5 
6 Chair

7
8 ATTEST:
9

10
11 
12 Municipal Clerk
13 Deputy

14 Department of Appropriation:
15 Project Management & Engineering Department \$195,705



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 192 -2008

Meeting Date: March 25, 2008

1 **FROM:** Mayor

2
3 **SUBJECT:** APPROPRIATION OF ONE HUNDRED NINETY-FIVE THOUSAND
4 SEVEN HUNDRED FIVE DOLLARS (\$195,705) AS PAYMENT IN LIEU
5 OF SUBDIVISION AGREEMENT OBLIGATIONS FOR ROAD,
6 PEDESTRIAN AND INTERSECTION IMPROVEMENTS FROM
7 TIDEVIEW DEVELOPMENT, INC. TO THE ANCHORAGE ROADS AND
8 DRAINAGE SERVICE AREA CAPITAL IMPROVEMENT FUND
9 (441), PROJECT MANAGEMENT & ENGINEERING DEPARTMENT,
10 FOR IMPROVEMENTS OF INDEPENDENCE DRIVE AND O'MALLEY
11 ROAD.
12

13 Tideview Development, Inc., the Developer of Ridgemont, Phase 2 Subdivision, entered
14 into a subdivision agreement with the Municipality on May 25, 2000. As part of the
15 Anchorage Municipal Platting Authority's conditions to plat Ridgemont Phase 2
16 Subdivision (Preliminary Platting Case S-10549), and subsequent requirements of the
17 subdivision agreement, the Developer was to construct Independence Drive from south
18 of Colony Loop to O'Malley Road to Urban Secondary Standards, specifically, a 24-
19 foot- wide strip-paved road with an 8-foot-wide detached walkway. The construction of
20 Independence Drive also required improvements at the intersection of Independence
21 Drive and O'Malley Road.
22

23 At the request of the Developer, on May 3, 2006 the Platting Board held a public
24 hearing to amend the condition to plat to authorize: 1) the Municipal Engineer to accept
25 an exaction fee for the Developer's portion of Independence Drive work; or alternately,
26 2) amend the plat approval requirements for the extension of Independence Drive to
27 match the extent of financial commitment anticipated when the platting requirements
28 were imposed based upon factual information presented. Per the Municipality of
29 Anchorage Platting Board Findings of Facts and Decisions (for) S-10549-3 Ridgemont
30 Subdivision dated June 7, 2006, the Platting Authority "resolved that the request to
31 accept a \$195,705 payment in lieu of subdivision agreement obligations for road,
32 pedestrian and intersection improvements only was appropriate given the
33 circumstances of this particular case."
34

35 The Municipality of Anchorage, Project Management & Engineering department desires
36 payment in lieu of construction because this section of the road is in the 2008-2011
37 Capital Improvement Program to construct as a collector street. This would allow for a
38 one-time road construction instead of Tideview Development, Inc., building a strip-

1 paved road and having the Municipality of Anchorage tear it out and building it to
2 collector standards.

3
4 The accounting detail is as follows:

5
6 Revenue Account

7 441.7251.9609.M85R93.2008 Restricted Contributions \$195,705

8
9 Expenditure Account

10 441.7251.5302.M85R93.2008 Infrastructure-Any Costs \$195,705

11
12 THE ADMINISTRATION RECOMMENDS APPROPRIATION OF ONE HUNDRED
13 NINETY-FIVE THOUSAND SEVEN HUNDRED FIVE DOLLARS (\$195,705) AS
14 PAYMENT IN LIEU OF SUBDIVISION AGREEMENT OBLIGATIONS FOR ROAD,
15 PEDESTRIAN AND INTERSECTION IMPROVEMENTS FROM TIDEVIEW
16 DEVELOPMENT, INC. TO THE ANCHORAGE ROADS AND DRAINAGE SERVICE
17 AREA CAPITAL IMPROVEMENT FUND (FUND 441), PROJECT MANAGEMENT &
18 ENGINEERING DEPARTMENT, FOR IMPROVEMENTS OF INDEPENDENCE DR
19 AND O'MALLEY ROAD.

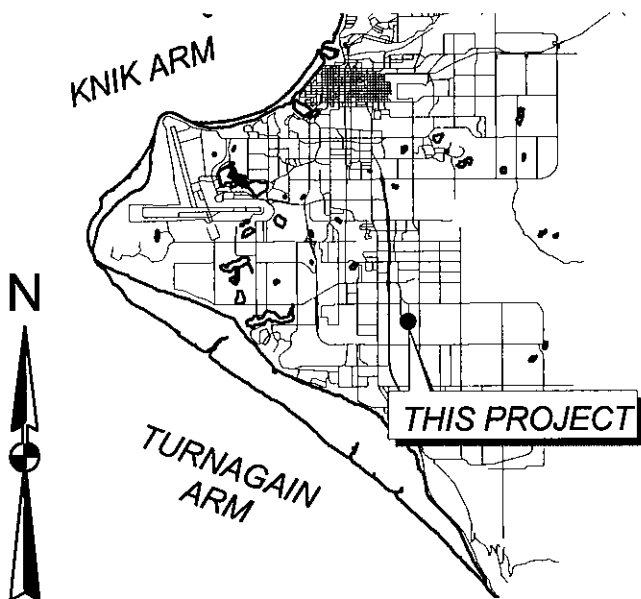
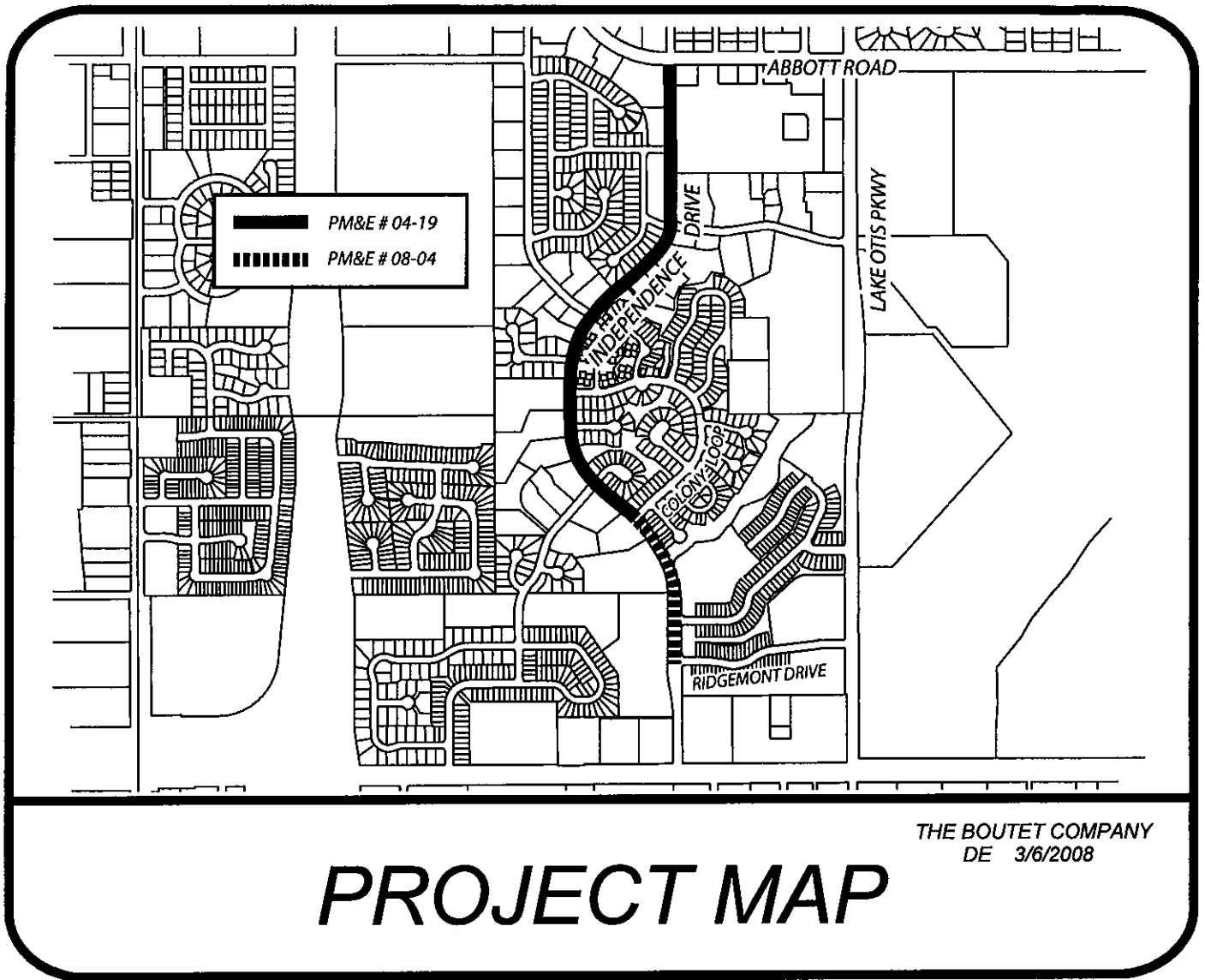
20
21 Prepared by: J. W. Hansen, Deputy Director, Project Management & Engineering Department

22
23 Fund Certification: Sharon Weddleton, CFO

24
25 441.7251.9609.M85R93.2008 \$195,705

26
27 Concur: Michael K. Abbott, Municipal Manager

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29 Respectfully submitted: Mark Begich, Mayor



INDEPENDENCE DRIVE
SURFACE REHABILITATION
ABBOTT ROAD TO
RIDGEMONT DRIVE
PM&E # 04-19 & 08-04

Project Management and Engineering Department
Municipality of Anchorage

ARCH

MUNICIPALITY OF ANCHORAGE PLATTING BOARD

FINDINGS OF FACT AND DECISION

S-10549-3 RIDGEMONT SUBDIVISION

WHEREAS, on March 1, 2000 the Platting Board granted a 60 month approval for a preliminary plat to subdivide two (2) tracts containing ± 26.7 acres into 122 lots and five (5) tracts proposed as a cluster development with variances from AMC 21.80.300.B (lot depth less than 100 feet), AMC 21.80.300.D (lot width less than 1/3 the lot depth), and AMC 21.80.360 (lot dimensions that do not meet the slope chart requirements) and vacation of a 50' x 292.17' access easement and a 40' x 317.27' drainage easement and a phase plan subject to 16 conditions (Case S-10549-1), and

WHEREAS, on February 28, 2005, a request for an 18-month time extension for Ridgemont Subdivision Phase 4 was submitted (Case S-10549-2), and

WHEREAS, the Platting Board held a non-public hearing review of the time extension request on May 4, 2005, and

WHEREAS, a subdivision agreement for installation of the public improvements included Condition 2.b that required: *"Constructing Independence Drive from the end of existing improvements to the north to connect with O'Malley Road to the south to urban access standards consisting of 24-foot wide strip-paved street in accordance with AMC 21.85, Table C, matching existing pedestrian facilities/bike path and resolving with Public Works any intersection improvements required by the final Traffic Impact Analysis"*, and

WHEREAS, construction of this segment of Independence Drive was a requirement of the final Traffic Impact Analysis (TIA), and

WHEREAS, the construction of Independence Drive had not been accomplished and Tideview Development had contacted the Municipal Law Department to obtain relief from building Independence Drive, and

WHEREAS, the Platting Board approved postponement of the 18-month time extension request and the recording of any final plats for Ridgemont Subdivision until the issue of the construction of Independence Drive from the edge of the existing improvements on the north to O'Malley Road on the south is resolved, and

WHEREAS, in February 2006, Tideview Development submitted an amendment to Condition 2.b requesting that the Platting Board authorize

either: 1) the Municipal Engineer to accept an exaction fee for the subdivision's portion of Independence Drive, road, trail, water and sewer improvements; or alternatively, 2) amend the plat approval requirements for the extension of Independence Drive to the O'Malley intersection to match the extent of financial commitment anticipated when the platting requirements were imposed based upon the factual information presented (Case S-10549-3), and

WHEREAS, the water and sewer improvements were required by Condition 2.e of the conditions placed on the March 1, 2000 approval on the preliminary plat for Ridgemont Subdivision, and

WHEREAS, the Platting Board held a public hearing on May 3, 2006, to review the petitioner's request to modify Condition 2.b and 2.e as outlined above, and

WHEREAS, the Platting Board considered the information and testimony presented both written and oral and closed the public hearing, and

WHEREAS, the Platting Board approved the request to accept payment in lieu of subdivision agreement obligations for the road, pedestrian facilities and intersection improvements for Independence Drive with a payment of \$195,705 for the road improvements only, and

WHEREAS, the Platting Board further accepted the concept of a payment from the developer in lieu of extension of water and sewer and deferred a decision on the appropriateness of the amount of payment until AWWU and PM&E agree to that amount and make a recommendation to the Board into which there would be input from the petitioner, and

WHEREAS, the Platting Board is required to ensure the requested amendments to the previously approved conditions of approval meet the requirements of AMC 21.75.010, and

NOW, THEREFORE, BE IT RESOLVED that the Platting Board adopts the following findings and conclusions.

FINDINGS:

1. The Board found that the public hearing held on May 3, 2006 was conducted in accordance with its established and codified rules and procedures.
2. The Board found Independence Drive was intended to be constructed to collector standards.

3. The Board found that completion of Independence Drive from Colony Loop south to O'Malley Road has a long history which is outlined below:
- In 1985 the then Department of Public Works amended a subdivision agreement with K.M.B., the previous developer to allow the placement of fill as a surcharge in the right-of-way for the proposed collector street. It was assumed that the fill would settle and the subgrade backfill would stabilize and the road could be constructed. The Municipality would bear two-thirds of the cost of the surcharge and bear a portion of the cost of subsequent improvement to collector standards. This portion of the Independence Park was not developed and the improvements were not built.
 - The first phase of Ridgemont Subdivision (Case S-10201) was approved in 1998 and that the construction of Independence Drive from the northern terminus of the constructed roadway at Colony Loop south to O'Malley Road was postponed pending the completion of a Traffic Impact Analysis (TIA).
 - The final TIA concluded that the extension of Independence Drive to O'Malley would benefit the Ridgemont Subdivision traffic as well as Independence Park traffic. The connection would also reduce the impacts of cut-through traffic in the Commodore Park Subdivision.
 - The Board found that approval of the next phases of Ridgemont Subdivision on March 1, 2000 (Case S-10549) required the construction to a 24-foot wide strip paved standard matching the existing pedestrian facilities/bike path and resolving improvement at the intersection with O'Malley Road with Public Works.
 - In 2000, the cost estimate in 2000 was estimated at \$1,800 to \$2,000 per square foot for a 550-foot improvement of the 1600-foot length of Independence Drive. The intersection improvements were estimated at \$465,000. The construction to the total cost of Independence Drive was found to be proportional to the 199 lots at full build-out of Ridgemont Subdivision.
4. The Board found that the estimates discussed during the 2000 public hearing were based on an assumption that the roadbed was stable and that the cost to finish the road would be minimal.

5. The Board found that by 2002 Tideview had not proceeded with the improvements because they suspected that the surcharge had not stabilized.
6. The Board found that in February 2005 Tideview Development obtained an estimate for improving Independence Drive to a 24-foot strip paved road just to the end of Ridgemont lot frontage at a cost of \$662,876. A further extension to the edge of the O'Malley right-of-way will cost an additional \$265,114. An estimate of the intersection improvements with construction of a 350-foot right-in/right-out turn onto O'Malley could not be fully estimated because of unknown utility conflicts and difficulties in estimating the total additional fill requirements.
7. The Board found that the 2000 estimate of \$1,800-\$2,000 per lot for the improvement of Independence Drive did not include the extension of water and sanitary sewer utilities and included only 550 feet of the full 1600 foot length of the unimproved portion of Independence Drive from Colony Loop south to O'Malley Road.
8. The Board found that both Project Management and Engineering (PM&E) and Anchorage Water and Wastewater Utility (AWWU) have agreed to payment in lieu of the subdivision agreement obligations for road, trail, bike path, intersection improvements and extension of water and sanitary sewer.
9. The Board found that PM&E has agreed to a payment of \$195,705 for the road improvement only.
10. The Board found that AWWU has provided estimates of the cost of extending public utilities. Extension of sewer would cost \$151,363 if all organics are removed. If the sewer main had to be built on pilings the estimate is \$478,359. Extension of water is estimated at \$298,000.
11. The Board heard testimony from PM&E staff that the \$195,705 payment in lieu of the expected actual cost of road construction is a small portion of the cost of the road; however, the MOA is moving forward with a project to improve the road to collector standards. A decision was made that this estimate is roughly equivalent to what the costs would have been had the conditions been what were expected in 2000.
12. The Board confirmed with PM&E staff that because the improvement would be to collector standards, the majority of the cost would be

borne by the MOA, so the payment in lieu is an appropriate portion to be paid by the petitioner

13. The Board heard testimony from AWWU staff that the petitioner had secured three estimates under a private development program scenario with a design that was approved in 2000. The cost was \$160,000 for the water and sewer extension projections. On April 3, 2006 Tideview was willing to raise the offer to \$204,295 as a result of seeing the MOA estimates.
14. The Board heard testimony from AWWU staff that "the issue is what the roadway will look like so that AWWU can plan the cost of the water and sewer extension. If the prism is mucked out because of the surcharge failure, the sewer and water utility will essentially be backfill as the road prism and trench sections are built. The decision to build or not build on surcharge material will greatly impact the cost of utility extension and the agreement on cost."
15. The Board heard testimony from PM&E staff "that the road design is not complete, so the resulting removal of the existing surcharge or the material below it is unknown."
16. The Board heard testimony from the petitioner's representative that he agrees with the recommendation that condition 2.b is satisfied by payment of \$195,705 and requested that the Board find that a financial contribution is acceptable and allow PM&E and AWWU to resolve the allocation of the costs.
17. The Board heard testimony from the petitioner's representative that "If the road subgrade is property, the cost would be lower than the \$204,295 offered. If the subgrade is not proper, the cost would be higher and the developer maintains that the MOA owns the subgrade out of a prior agreement with the original developer.
18. The Board heard testimony from staff that AMC 21.897.025.D.4 states that "if the platting authority requires construction of an access street under the authority of 21.85.070 that is designated as a collector, arterial or greater, the MOA shall reimburse a sum equal to the reasonable construction cost of the standard specified by the platting authority, less the estimated construction costs in accordance with the residential standards under Table C found in Chapter 21.85, subject to the availability of bond funds." The MOA would reimburse the developer for the costs beyond the normal contribution.

19. The Board heard from AWWU staff in response to a question by Chair Phelps whether \$204,495 is adequate for water and sewer that "there is no cost sharing for utilities, 100% of the costs are borne by the developer."
20. The Board heard in response to a question of whether or not \$204,295 was acceptable, AWWU staff stated "it is acceptable subject to stipulations" and that "the two main parties in the resolution of the improvements are PM&E and AWWU." PM&E staff noted "that if the costs exceed \$204,295, the costs will be borne by PM&E and the unfortunate reality is that PM&E does not have a funding source for water and sewer work. If a circumstance occurs where the costs exceed \$204,295, there is no funding mechanism to pay the remaining costs."
21. The Board found that the road, pedestrian, intersection and utility extensions were required public improvements for Ridgemoor Subdivision when the preliminary plat was approved on March 1, 2000.
22. The Board found that an agreement had been reached for the payment of \$195,705 for the road, pedestrian facilities and intersection improvements for Independence Drive and the Board is ratifying an appropriate agreement. The concept of receiving payment in lieu of this subdivision agreement obligation is appropriate in this circumstance.
23. The Board found that the cost of extending water and sewer mainlines will vary greatly depending on whether or not the organics are removed.
24. The Board found that the engineering design of Independence Drive is not sufficiently complete to determine whether the organics will be removed or an alternative engineering solution will be designed that does not require the removal of all the peat.
25. The Board found that if the cost of extending water and sewer mainlines exceeded the offered buyout of \$204,294 the Municipality would have to absorb the extra cost.
26. The Board found that typically the developer pays all the costs of utility installation and that AWWU cannot pass the additional cost onto the rate payers.
27. The Board found that PM&E does not have the bonding authority to include the additional cost of extending the water and sewer

mainlines into the collector road improvement costs for Independence Drive.

28. The Board found that the amount of payment is quite large and it is only fair to allow the MOA to work out the issue so they are satisfied with the cost and for the MOA to share the cost estimate with the petitioner and bring that estimate back to the Board.
29. The Board found that when the platting action transpired in 2000, the information was presented regarding the amount of extraction in terms of cost per lot; the cost of lots has nearly doubled, therefore it was appropriate to defer the decision on the appropriateness of the amount of payment until AWWU and PM&E agree to that amount and make a recommendation to the Board into which there would be input from the petitioner.

At the conclusion of the May 3, 2006 public hearing, the Platting Board acted on the request to amend Condition 2.b of the preliminary plat approval for Ridgemont Subdivision (Case S-10549) as follows:

Approval of the request to accept payment in lieu of subdivision agreement obligations for the road, pedestrian facilities and intersection improvements for Independence Drive with a payment of \$195,705 for the road improvements only.

At the conclusion of the May 3, 2006 public hearing, the Platting Board acted on the request to amend Condition 2.e of the preliminary plat approval for Ridgemont Subdivision (Case S-10549) as follows:

The Board accepted the concept of a payment from the developer in lieu of extension of water and sewer and deferred a decision on the appropriateness of the amount of payment until AWWU and PM&E agree to that amount and make a recommendation to the Board into which there would be input from the petitioner.

CONCLUSIONS:


The Platting Board took into consideration the written analyses of staff, testimony of the petitioner, both written and oral that was presented at the May 3, 2006 public hearing. The Platting Board reviewed the requested modification to Conditions 2.b and 2.e referenced above on the preliminary plat for Ridgemont Subdivision (Case S-10549-1) that was previously approved on March 1, 2000 in conformance with the subdivision regulations, the Design Criteria Manual, and the goals and objectives of the applicable elements of the Comprehensive Plan.

Based on the foregoing Findings and Conclusions, be it resolved by the Anchorage Municipal Platting Authority the conditions requiring road and utility public improvements were required to conform to the subdivision regulations, the Design Criteria Manual (DCM) and the goals contained in AMC 21.75.010.

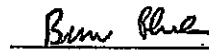
The Platting Authority further resolved that the request to accept a \$195,705 payment in lieu of the subdivision agreement obligations for road, pedestrian and intersection improvements only was appropriate given the circumstances of this particular case. The Platting Authority further resolved to accept the concept of payment in lieu of extending water and sewer mainlines subject to resolution of the amount of the payment by PM&E and AWWU with input from the developer given the funding and bonding limitations on the ability of PM&E and AWWU to absorb additional costs not included in the offered buyout amount of \$204,295.

NOW, THEREFORE, be it resolved by the Platting Authority that the Platting Board adopts the above stated findings and conclusions.

ADOPTED by the Platting Board this 7th day of June 2006.



Tom Nelson
Secretary



Bruce Phelps
Chair

Content ID: 006115**Type:** AR_FundsApprop - Funds Approp Resolution

Title: A Resolution of the MOA Approp ONE HUNDRED NINETY-FIVE SEVEN HUNDRED FIVE DOLLARS (\$195,705) as pymt in lieu of Subd Agreement Obligs for Rd, Ped, and Intersect Improvs from Tideview Dev Inc to ARDSA Cap Improv Fund(441) for Improvs of Inde Dr and OMai Rd

Author: maglaqui

Initiating Dept: PME_Projects

Description: A Resolution of the MOA Approp ONE HUNDRED NINETY-FIVE SEVEN HUNDRED FIVE DOLLARS (\$195,705) as pymt in lieu of Subd Agreement Obligs for Rd, Ped, and Intersect Improvs from Tideview Dev Inc to ARDSA Cap Improv Fund(441) for Improvs of Inde Dr and OMai Rd

Keywords: AR-AM Tideview Subdivision**Date Prepared:** 3/7/08 8:19 AM

Assembly Meeting Date: 3/25/08

Public Hearing Date: 4/15/08

2008 MAR 17 PM 12:53

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Workflow Name	Action Date	Action	User	Security Group	Content ID
Clerk_Admin_SubWorkflow	3/13/08 4:29 PM	Exit	Heather Handyside	Public	006115
MuniMgrCoord_SubWorkflow	3/13/08 4:29 PM	Approve	Heather Handyside	Public	006115
MuniManager_SubWorkflow	3/13/08 4:29 PM	Approve	Heather Handyside	Public	006115
MuniManager_SubWorkflow	3/11/08 10:54 AM	Checkin	Joy Maglaqui	Public	006115
Finance_SubWorkflow	3/10/08 2:39 PM	Approve	Wanda Phillips	Public	006115
OMB_SubWorkflow	3/7/08 5:15 PM	Approve	Wanda Phillips	Public	006115
PME_Projects_SubWorkflow	3/7/08 4:19 PM	Approve	Jerry Hansen	Public	006115
FundsAppropWorkflow	3/7/08 4:14 PM	Checkin	Tammy Bascome	Public	006115
OMB_SubWorkflow	3/7/08 3:46 PM	Reject	Wanda Phillips	Public	006115
PME_Projects_SubWorkflow	3/7/08 3:14 PM	Approve	Jerry Hansen	Public	006115
FundsAppropWorkflow	3/7/08 3:00 PM	Checkin	Tammy Bascome	Public	006115
PME_Projects_SubWorkflow	3/7/08 10:04 AM	Reject	Jerry Hansen	Public	006115
FundsAppropWorkflow	3/7/08 8:40 AM	Checkin	Tammy Bascome	Public	006115