Submitted by:

Chair of the Assembly at the Request of the Mayor

Prepared by:

Project Management & Engineering Department

For Reading: March 2, 2010

CLERK'S OFFICE APPROVED

4-13-10

AR 2010-79

A RESOLUTION CONFIRMING AND LEVYING SPECIAL ASSESSMENTS FOR SPECIAL ASSESSMENT DISTRICT 06-15, WHICH PROVIDED STREET RECONSTRUCTION AND STORM DRAIN IMPROVEMENTS ON 58<sup>TH</sup> AVENUE BETWEEN ARCTIC BOULEVARD AND SILVERADO WAY, AND SETTING THE DATE OF ASSESSMENT INSTALLMENT PAYMENTS, INTEREST ON UNPAID ASSESSMENTS, AND PROVIDING FOR PENALTIES AND INTEREST IN THE EVENT OF DELINQUENCY.

### THE ANCHORAGE ASSEMBLY RESOLVES:

<u>Section 1.</u> The improvements authorized in AO 2006-75 (Exhibit 1) have been completed and actual costs determined. Special assessments are hereby levied against properties benefited by said improvements as set forth in the attached assessment roll (Exhibit 2) prepared for the district. The district boundaries are shown on the attached map (Exhibit 3).

<u>Section 2.</u> Timely notice of assessment was sent to each property owner whose property is benefited by the improvements. These property owners are indicated in Exhibit 2. Each property owner was also given notice of a Public Hearing to be held before the Assembly. This provided property owners an opportunity to present objections and/or inequalities in the assessment roll for the district.

<u>Section 3.</u> In conformance with the notice to the property owners, the Assembly held a Public Hearing on March 23, 2010. At said hearing, all errors and inequalities to which valid objections were raised were corrected. The amounts indicated on the assessment roll are those amounts determined to be assessed. Said amounts are equal to, or less than, the benefit each property derives from the constructed improvements. The assessment roll has been duly certified by the Municipal Clerk.

<u>Section 4.</u> All assessments and installment interest thereon may be paid in approximately equal annual installments, according to the schedule specified in AR 93-179 (Exhibit 4). In accordance with AMC 19.20.260, no payment shall be required before 60 days after the assembly's confirmation of the assessment roll. Annual installments are due and payable on or before the **30th day of June** of each year, with the first such installment coming due and being payable on **June 30, 2010**.

<u>Section 5.</u> Interest on the unpaid assessment shall be at the rate equal to the effective interest rate on the last bonds sold to finance similar improvements.

Section 6. Assessment installments not paid when due and payable are delinquent beginning on the day following the date when due and payable. Pursuant to AMC 19.20.260, a penalty of eight percent (8%) shall be added to any assessment installment not paid before the date of delinquency. Both the penalty and the delinquent amount shall draw interest at the rate of eight percent (8%) per annum until paid.

Section 7. A special assessment collection charge, as authorized in Anchorage Municipal Code 19.20.265, will be charged to those properties identified in this resolution.

Section 8. Pursuant to AMC 19.20.250, within thirty (30) days from the passage of this resolution, the Municipal Treasurer shall mail a notice to any owner of property whose assessment, schedule of payments, delinquencies, or amount of penalty and interest has been changed as a result of the public hearing on the assessment roll. Not more than sixty (60) or fewer than thirty (30) days before the date of said assessment or the first installment thereof shall become delinquent, the Municipal Treasurer shall mail a payment notice to each property owner, but failure to mail such notice shall in no way affect any liability for assessment levied by this resolution.

This resolution shall be effective immediately upon passage and Section 9. approval by the Assembly.

PASSED AND APPROVED by the Anchorage Municipal Assembly, this 1345 day of April , 2010.

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Chair of the Assembly

ATTEST:

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### MUNICIPALITY OF ANCHORAGE ASSEMBLY MEMORANDUM

No. AM 157-2010

Meeting Date: March 2, 2010

FROM: MAYOR

SUBJECT: A RESOLUTION CONFIRMING AND LEVYING SPECIAL

ASSESSMENTS FOR SPECIAL ASSESSMENT DISTRICT 06-15, WHICH PROVIDED STREET RECONSTRUCTION AND STORM DRAIN IMPROVEMENTS ON 58<sup>TH</sup> AVENUE FROM ARCTIC BOULEVARD TO SILVERADO WAY, AND SETTING THE DATE OF ASSESSMENT INSTALLMENT PAYMENTS, INTEREST ON UNPAID ASSESSMENTS, AND PROVIDING FOR PENALTIES

AND INTEREST IN THE EVENT OF DELINQUENCY.

On June 6, 2006, the Assembly approved AO 2006-75 (Exhibit 1) creating special assessment district 06-15 (Exhibit 3) for street reconstruction and storm drain improvements on 58<sup>th</sup> Avenue. This ordinance specified that 90% of the project cost would be paid by the Municipality and the remaining 10% would be paid by benefiting property owners through special assessments. This resolution confirms and levies individual assessments totaling \$187,000.00, which is the maximum allowed under the ordinance. The assessments shown in Exhibit 2 are based on this amount.

This district is one of seven created before construction costs began unexpectedly rising at double digit annual rates. In late 2006, it became clear that this inflation was pushing the project costs above budgets approved by property owners. In response, an alternative was presented to the Assembly that would allow the districts to proceed without increasing the property owner approved assessments above the established cap. On February 27, 2007, the Assembly approved this alternative as AO 2007-31 (Exhibit 5).

The final cost of the project is expected to be \$1,899,101.28, which is above the district's \$1,870,000.00 budget cap. If AO 2007-31 had not been approved, the assessable amount would have been ten percent (10%) of the total cost or \$189,910.13 rather than \$187,000.00, which is \$2,910.13 above the assessment cap. AO 2007-31 directed that costs above the cap be "absorbed by the Municipality," and have therefore been paid by road bonds and state grants rather than property owners in the assessment district. The final cost is less than the \$2,700,000 estimated in AO 2007-31.

Information on the proposed final assessments was provided in a letter to property owners and at a public meeting. No concerns have been identified.

Passage of this resolution will have no fiscal impact on any Municipal property.

THE ADMINISTRATION RECOMMENDS APPROVAL OF A RESOLUTION CONFIRMING AND LEVYING SPECIAL ASSESSMENTS FOR SPECIAL ASSESSMENT DISTRICT 06-15, WHICH PROVIDED STREET RECONSTRUCTION AND STORM DRAIN IMPROVEMENTS ON 58<sup>TH</sup> AVENUE FROM ARCTIC BOULEVARD TO SILVERADO WAY, AND SETTING THE DATE OF ASSESSMENT INSTALLMENT PAYMENTS, INTEREST ON UNPAID ASSESSMENTS, AND PROVIDING FOR PENALTIES AND INTEREST IN THE EVENT OF DELINQUENCY.

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11 Prepared by: James L. Lamson, Capital Program Manager
12 Project Management & Engineering Department

13 Approved by: J.W. Hansen, Acting Director

14 Project Management & Engineering Department

15 Concur: Greg Jones, Executive Director

16 Office of Community Planning & Development

17 Concur: Dennis A. Wheeler, Municipal Attorney
18 Concur: George J. Vakalis, Municipal Manager

19 Respectfully submitted: Daniel A. Sullivan, Mayor

### Exhibit 1

Submitted by:

Chair of the Assembly

Prepared by:

**Project Management** 

& Engineering Department

at the request of the Mayor

For Reading: May 16, 2006

CLERK'S OFFICE APPROVED Date:

> ANCHORAGE, ALASKA AO NO. 2006- 75

AN ORDINANCE OF THE MUNICIPALITY OF ANCHORAGE CREATING SPECIAL ASSESSMENT DISTRICT 06-15 FOR RECONSTRUCTION OF 58TH AVENUE BETWEEN ARCTIC BOULEVARD AND SILVERADO WAY, AND DETERMINING TO PROCEED WITH PROPOSED IMPROVEMENTS THEREIN.

WHEREAS, benefiting property owners requested that a petition be circulated for creation of a Special Assessment District to reconstruct 58th Avenue, as shown on the attached map; and

WHEREAS, this aforementioned petition has been signed and approved by owners of properties which will bear more than fifty percent (50%) of the estimated assessable cost of the improvements; and

WHEREAS, the aforementioned public improvements are necessary and of benefit to the following described properties which are also shown on the attached map:

- Lots 6-10, and 2A of Block 1 of Fuller Industrial Park Subdivision
- Lots 1A of Block 2 of Fuller Industrial Park Subdivision
- Lots 1A, 1B, and 2 through 7 of Block 4 of Fuller Industrial Park Subdivision
- Lots 3 and 4 of Block 2 of Silverado Subdivision
- Lot 1A of Block 3 of Silverado Subdivision; and

WHEREAS, the property-owner-approved estimate for the project is \$1,700,000, of which ten percent (10%) or \$170,000 is the estimated assessable amount as prescribed in AMC 19.40.100B: and

WHEREAS, project design has been funded with existing bonds, and construction funding is planned in the 2007 Anchorage Roads and Drainage Service Area bond proposition; now therefore

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### THE ANCHORAGE ASSEMBLY ORDAINS:

<u>Section 1.</u> There is established Special Assessment District 06-15, comprised of the properties previously herein described.

Section 2. The Municipality shall proceed with the aforementioned improvements.

<u>Section 3.</u> The Municipality shall include funding for this project in future capital improvement programs and shall pursue the necessary funding.

Section 4. Costs assessed to benefited parcels shall be ten percent (10%) of all project costs after the total project cost has been reduced by any grants.

Section 5. Assessments levied pursuant to this Ordinance shall be based on parcel access, parcel area, and parcel frontage as determined in the property-owner shares shown in the attached assessment roll. The Assembly finds that assessments calculated on this basis are proportionate to the benefit received from the improvements.

<u>Section 6.</u> An account shall be kept of all project costs and, after completion of the improvement, a final assessment roll shall be prepared and presented to the Assembly for the purpose of confirming and levying final assessments.

<u>Section 7.</u> The Mayor forthwith shall cause this Ordinance to be recorded in the office of the Anchorage District Recorder.

Section 8. This ordinance shall be effective immediately upon its passage and approval.

PASSED AND APPROVED by the Anchorage Municipal Assembly this day of

Danul R. Sullwan

ATTEST:

Municipal Clerk

5. Duent

### MUNICIPALITY OF ANCHORAGE SUMMARY OF ECONOMIC EFFECTS - GENERAL GOVERNMENT

AO Number: 2006- 75

Title: AO CREATING SPECIAL ASSESSMENT DISTRICT 06-15

58th AVENUE RECONSTRUCTION

Sponsor & Preparing Agency: Project Management & Engineering Others Affected: None

Changes in Expenditures and Revenues

(Thousands of Dollars)

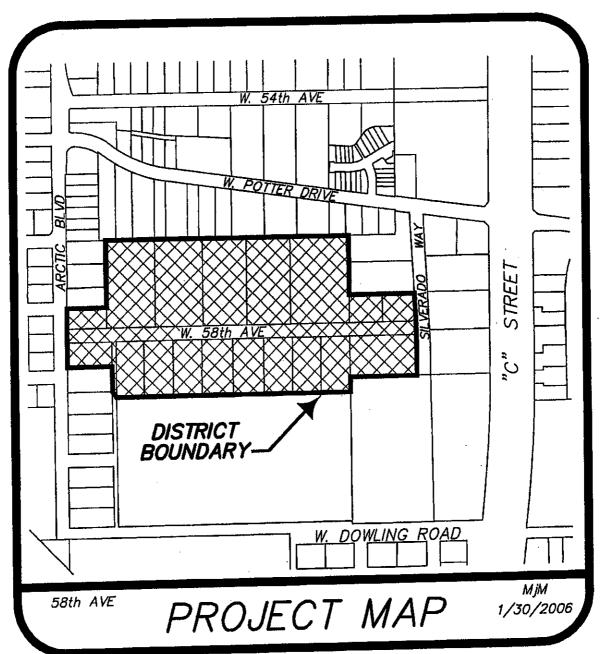
Operating Expenditures	FY 06	FY 07	FY 08	FY 09
1000 Personnel services				
2000 Supplies				
3000 Other services			4.40	440
4000 Debt service	18	92	149	149
5000 Capital Outlay	400	1,300	NONE	NONE
Total Direct Costs	418	1,392	149	149
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ADD: 6000 Charge from others			<u> </u>	
LESS: 7000 Charge to others				
FUNCTION COST:		<u> </u>		L
		NI	16	16
REVENUES:	None	None	10	
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POSITIONS: FT, PT AND TEMP		L	L	I <u> </u>

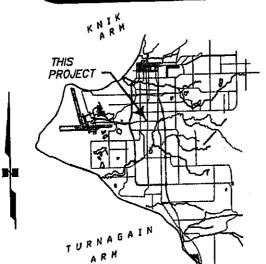
Public Sector Economic Effects: Design funding is available with approved road bonds, and construction funding is planned for the 2007 road bond. The estimated cost of this project is \$1,700,000. In accordance with AMC 19.40.100B, 10% of this cost, or \$170,000, is assessable and 90% or \$1,530,000 is assumed by the Anchorage Roads and Drainage Service Area bonds. The Expenditure and Revenue information assumes design occurs in 2006 with construction to follow in 2007 and will be adjusted if construction does not occur in 2007. The debt service of \$148,213.75 was estimated assuming that \$1,700,000 in road bonds would be retired over 20 years, with an interest rate of six percent (6%).

**Private Sector Economic Effects**: After completion of the project, property owners will be assessed 10% of the actual cost, which is estimated at \$170,000. Assessments will be in the manner as stated on the attached petition roll, with annual estimated revenues of \$15,300.821.

•	necessary, a separate page may be attached.	Telephone: <u>343-8120</u>
Prepared by:	James L. Lamson (name)	
Visitated by OMP:		Date:
Validated by OMB:	(name)	
A managed but	Howard C. Holtan, P.E.	Date:
Approved by:	Director, Preparing Agency	
O	NONE	Date:
Concurred by:	Director, Affected Agency	
4 1 fm		Date:
Approved by:	Executive Manager	<del></del>

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### ROAD IMPROVEMENT DISTRICT

### 58th AVE RECONSTRUCTION

Project Management and Engineering Department

# Petition Roll for Special Assessment District 06-15 58th Ave Reconstruction RID

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Owner of Record (Names to be	removed prior to recording)	S S Fuller Inc % Warfield Auto Repair	S S Fuller Inc % Western Enterprises	S S Fullers Inc	American Warehouse Investments LLC	Royal Business Systems Inc	S S Fullers Inc	S S Fullers Inc	S S Fullers Inc	501 W 58th Ave LLC 60% & VCREAK LL 40%	Wesco Real Estate II LLC	S S Fuller inc % Western Enterprises	S Fuller Inc Western Enterprises	Arctic Center   % Arcticorp/Joel D Fuller	S S Fuller Inc % Western Enterprises	S S Fuller Inc % Western Enterprises	S S Fuller Inc % Western Enterprises	Arcticorp % Arctic Service Center	S S Fuller Inc	
OWNER	RESPONSE	IN FAVOR	IN FAVOR	IN FAVOR	UNSTATED	IN FAVOR	IN FAVOR	IN FAVOR	IN FAVOR	IN FAVOR	IN FAVOR	IN FAVOR	IN FAVOR	IN FAVOR	IN FAVOR	IN FAVOR	IN FAVOR	IN FAVOR	IN FAVOR	
Estimated	Annual Pavment	\$796.74	\$439.43	\$1,234.60	\$803.78	\$724.89	\$1,214.37	\$1,163.19	\$1,163.15	\$1,397.23	\$825.23		\$781.93		\$805.05	\$805.05	\$781.95	\$781.93	\$793.00	
	Charge	\$42.00	\$42.00	\$42.00	\$42.00	\$42.00	\$42.00	\$42.00	\$42.00	\$42.00	\$42.00	\$42.00	\$42.00	\$42.00	\$42.00	\$42.00	\$42.00	\$42.00	\$42.00	
Years  Annual P&I   Collection	Payment	\$754.74	\$397.43	\$1,192.60	\$761.78	\$682.89	\$1,172.37	\$1,121.19	\$1,121.15	\$1,355.23	\$783,23	\$721.37	\$739.93	\$739.93	\$763.05	\$763.05	\$739.95	\$739.93	\$751.00	\$15,300.82
(ears	o Pay	15	0	20	5	15	8	20	20	20	20	20	20	20	20	20	20	20	20	
Estimated	Assessment to Pay	\$7,330.25	\$2,925.13	\$13,679.01	\$7,398.62	\$6,632.42	\$13,447.01	\$12,859.95	\$12,859.52	\$15,544.33	\$8,983.62	\$8,274.04	\$8,486.94	\$8,486.94	\$8,752,11	\$8,752.11	\$8,487.11	\$8,486.94	\$8,613.96	% \$170,000.00
Assessment		4.31%	1.72%	8.05%	4.35%	3.90%	7.91%	7.56%	7.56%	9.14%	5.28%	4.87%	4.99%	4.99%	5.15%	5.15%	4.99%	4.99%	5.07%	100.00%
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Subdivision		Fuller Industrial	000 Fuller Industrial	000 Fuller Industrial	Silverado	Silverado	000 Fuller Industrial Park	000 Fuller industrial Park	000 Fuller Industrial Park	000 Fuller Industrial Park	000 Silverado	000 Fuller Industrial Park	000 Fuller Industrial Park		000 Fuller Industrial Park	000 Fuller Industrial Park		Fuller Industrial Park	Fuller Industrial Park	
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### MUNICIPALITY OF ANCHORAGE **ASSEMBLY MEMORANDUM**

340 -2006 No. AM

Meeting Date: May 16, 2006

FROM:

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Mayor

SUBJECT:

An Ordinance of the Municipality of Anchorage Creating Special Assessment

District 06-15 for Reconstruction of 58th Avenue, and Determining to Proceed

with Proposed Improvements Therein.

A petition for reconstruction of 58th Avenue between Arctic Boulevard and Silverado Way through the Road Improvement District (RID) program has been approved by property owners representing over 50% of the estimated assessable project cost. The petition concluded with 17 property owners representing 95.65% in favor, no property owners opposed, and 1 property owners representing 4.35% not responding.

The property-owner-approved estimate for the RID improvements is \$1,700,000. The estimated assessable share is 10% or \$170,000, in accordance with the Reconstruction (90/10) Program established in AMC 19.40.100. Assessment shares for each parcel were calculated with 50% based on parcel access, 40% based on parcel area, and 10% based on parcel frontage, in accordance with AMC 19.40.090. Improvements are expected to include street, drainage, and street lighting replacement. The Municipality's 90% funding share will be paid with local road bonds. Design funding is available and construction funding will be pursued in the 2007 Road Bond.

There is no municipal property in this assessment district.

THE ADMINISTRATION SUPPORTS CREATION OF SPECIAL ASSESSMENT DISTRICT 06-15 AND RECOMMENDS THAT A PUBLIC HEARING BE SCHEDULED FOR THIS ORDINANCE.

Prepared by: Howard C. Holtan, Director, Project Management & Engineering Department

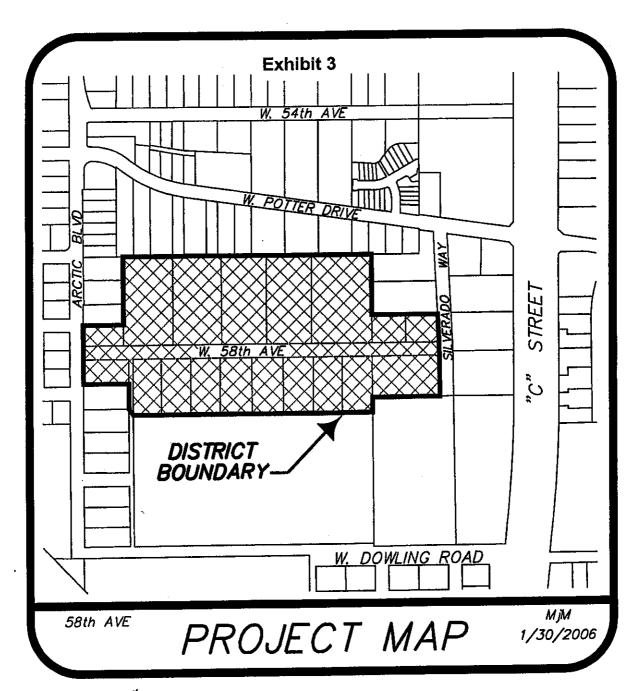
Concur: Denis C. LeBlanc, Municipal Manager Respectfully submitted: Mark Begich, Mayor

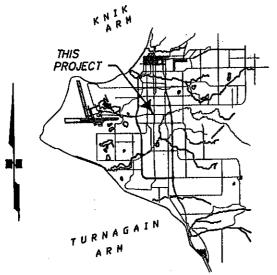
AO 2006-75

Exhibit 2

### Final Assessment Roll for Special Assessment District 06-15 58th Ave Reconstruction RID

	- 1			7				1	· · · · ·		1		T				T		
Owner of Record (Names to be removed prior to recording)		% Wartield Auto Repair S S Fuller Inc	\$1,311.86 S Fullers Inc	\$709.55 American Warehouse Investments LLC	\$751.18 Royal Business Systems Inc	S S Fullers Inc	\$1,233.31 S S Fullers Inc	S S Fullers Inc	\$1,490.75 Chugach Alaska Corporation Attn: Rick Rogers, VP Lands Resources & Tourism	\$861,56 Wesco Real Estate II LLC	S S Fuller Inc % Western Enterprises		\$813.92 Arctic Center % Arcticop/Joel D Fuller	S S Fuller Inc Western Enterprises	\$839.35 S S Fuller Inc % Western Enterprises		\$813.92 Arcticorp % Arctic Service Center	\$826.10 S S Fuller Inc	
Annual P&I	<b>\$702.99</b>	\$437.17	\$1,311.86	\$709.55	\$751.18	\$1,289.61	\$1,233.31	\$1,233.27	\$1,490.75	\$861.56	\$793.51	\$813.92	\$813.92	\$839.35	\$839.35	\$813.94	\$813.92	\$826.10	
Years to Pay	20	10	20	20	15	20	20	20	20	20	20	20	20	20	20	20	20	20	
Final Years Assessment to Pay	\$8,063.27	\$3,217.65	\$15,046.91	\$8,138.49	\$7,295.66	\$14,791.71	\$14,145.94	\$14,145.47	\$17,098.77	\$9,881.99	\$9,101.44	\$9,335.64	\$9,335.64	\$9,627.32	\$9,627.32	\$9,335.82	\$9,335.64	\$9,475.35	\$187,000.00
Assessment Share	4.31%	1.72%	8.05%	4.35%	3.90%	7.91%	7.56%	7.56%	9.14%	5.28%	4.87%	4.99%	4.99%	5.15%	5.15%	4.99%	4.99%	5.07%	100.00%
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Subdivision	Fuller Industrial Park	Fuller Industrial Park	Fuller Industrial Park	Silverado	Silverado	Fuller Industrial Park	000 Fuller Industrial Park	Fuller Industrial Park	Fuller Industrial Park	000 Silverado	Fuller Industrial Park	000 Fuller Industrial Park	Fuller Industrial Park	Fuller Industrial Park	Fuller Industrial Park	Fuller Industrial Park	000 Fuller Industrial Park	Fuller Industrial Park	
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### ROAD IMPROVEMENT DISTRICT

06-15 58th AVE RECONSTRUCTION

Project Management and Engineering Department

### Exhibit 4

CLERK'S OFFICE APPROVED Date: 6-29-93 Submitted by: Chairman of the Assembly

at the Request of the Mayor

Prepared by: Finance Department For Reading: June 29, 1993

### ANCHORAGE, ALASKA RESOLUTION NO. AR 93-179

A RESOLUTION ESTABLISHING A REVISED TIME PAYMENT SCHEDULE FOR THE PAYMENT OF ROAD, PARK, GAS LINE, AND WATER AND WASTEWATER ASSESSMENTS

WHEREAS, Anchorage Municipal Code Section 19.20.240 calls for the adoption of time payment schedules for payment of assessments, by resolution;

NOW, THEREFORE, the Assembly of Anchorage resolves:

Section 1. All assessments levied on property, benefitted by an improvement that is financed by special assessment bonds or notes, shall be payable in annual installments that are provided for in the terms of the bond or note sale.

Section 2. Unless otherwise provided for by the Municipal Assembly, all other assessments levied on property benefitted by special assessment districts created after the effective date of this ordinance and not described in Section 1, shall be payable in annual installments as follows:

Less than \$500.00 \$500.00 or more but less than \$1,000.00 \$1,000.00 or more but less than \$2,500.00 \$2,500.00 or more but less than \$5,000.00 \$5,000.00 or more but less than \$7,500.00 More than \$7,500.00 One lump sum payment
Two equal annual installments
Five equal annual installments
Ten equal annual installments
Fifteen equal annual installments
Twenty equal annual installments

Section 3. Nothing in this resolution is intended to prohibit a property owner from paying a levied assessment in full at any time.

Section 4. This resolution will take effect on April 1, 1994. It is effective for water and wastewater improvements as approved by the Alaska Public Utilities Commission.

### Exhibit 5

Submitted by: Chair of the Assembly at the

Request of the Mayor

Prepared by: Project Management

& Engineering Department

AO 2004 472

For Reading: January 30, 2007

CLERK'S OFFICE
APPROVED
Date: 2-27-07

### ANCHORAGE, ALASKA AO NO. 2007- 31

AN ORDINANCE WAIVING THE ASSESSABLE SHARE REQUIREMENT OF ANCHORAGE MUNICIPAL CODE SECTION 19.40.100B. FOR SEVEN ROAD RECONSTRUCTION ROAD IMPROVEMENT DISTRICTS.

WHEREAS, benefiting property owners and the Anchorage Assembly approved and created the following Special Assessment Districts through the Reconstruction (90/10) Road Improvement District (RID) Program:

Town and Country Estates Subdivision Area	AU 2004-172
	AO 2004-173
D. Land Subdivision Area	AO 2004-164
Bayshore West Subdivision Area	AO 2005-129
58th Avenue between Arctic Boulevard and Silverado Way	AO 2006-075
58" Avenile between Alciic boulevald and offorder 1137	
in our Albertage 40 <sup>th</sup> Avenue and Tudor Road	AO 2006-102
B Street between 40 Avoids and Delicon Court	AC 2006-091: and
Arlene Drive, Kingfisher Drive, Pelican Drive and Pelican Court	AO 2000 00 13 ania

WHEREAS, Anchorage Municipal Code section 19.40.100B. mandates assessable costs on projects funded through the Reconstruction (90/10) RID Program shall be ten percent (10%) of the total project costs; and

WHEREAS, final assessments are capped at ten percent (10%) above the ownerapproved assessments unless the higher assessments are approved by property owners; and

WHEREAS, the current estimated cost of each of these RIDs results in assessments exceeding the ten percent (10%) cap, due to substantial construction cost increases; and

WHEREAS, construction of these RIDs is a priority for the Municipality because of the deteriorated condition of the roads; and

WHEREAS, the Municipality desires to proceed with design and construction of the RIDs without increasing the property-owner-approved assessments above the established cap; and

WHEREAS, a waiver of section 19.40.100B. is required in order for these additional costs to be absorbed by the Municipality; now, therefore,

### THE ANCHORAGE ASSEMBLY ORDAINS:

<u>Section 1.</u> The requirement in Anchorage Municipal Code section 19.40.100B. mandating that assessable costs shall be ten percent (10%) of the total project costs is hereby waived for the following RIDs:

Town and Country Estates Subdivision Area	AO 2004-172
Marathon Circle	AO 2004-173
Bayshore West Subdivision Area	AO 2004-164
Leawood Drive/Roy Street	AO 2005-129
58 <sup>th</sup> Avenue between Arctic Boulevard and Silverado Way	AO 2006-075
B Street between 40 <sup>th</sup> Avenue and Tudor Road	AO 2006-102
B Street between 40 Avenue and Tudor Road	AO 2006-091
Arlene Drive, Kingfisher Drive, Pelican Drive and Pelican Court	70 5000-00 i

<u>Section 2.</u> The Municipality is authorized to proceed with the aforementioned improvements.

<u>Section 3.</u> The Municipality is authorized to include funding for these projects in future capital improvement programs and shall pursue the necessary funding.

Section 4. This ordinance shall be effective immediately upon passage and approval.

PASSED AND APPROVED by the Anchorage Municipal Assembly this 27th day of Telegraphy, 2007.

Chair of the Assembly

ATTEST:

Municipal Clerk

### MUNICIPALITY OF ANCHORAGE SUMMARY OF ECONOMIC EFFECTS - GENERAL GOVERNMENT

AO Number:  $^{2007-31}$  Title: AN ORDINANCE WAIVING THE ASSESSABLE SHARE REQUIREMENT OF ANCHORAGE MUNICIPAL CODE SECTION 19.40.100B. FOR SEVEN ROAD RECONSTRUCTION ROAD IMPROVEMENT DISTRICTS.

Sponsor & Preparing Agency: Project Management & Engineering Others Affected: None (Thousands of Dollars) Changes in Expenditures and Revenues **FY 11** FY 07 FY 08 FY 09 FY 10 Operating Expenditures N/A 1000 Personnel services N/A 2000 Supplies N/A 3000 Other services 85 76 85 48 21 4000 Debt service NONE 325 102 300 245 5000 Capital Outlay 187 85 401 266 348 **Total Direct Costs** N/A ADD: 6000 Charge from others N/A LESS: 7000 Charge to others N/A FUNCTION COST: NONE NONE NONE NONE NONE REVENUES: N/A CAPITAL: N/A POSITIONS: FT. PT AND TEMP Public Sector Economic Effects: This ordinance will result in \$972,000 of the costs of seven Road Improvement Districts (RID) being paid with road bonds rather than by special assessments. The Capital Outlay reflects the estimated annual additional RID project cost that would be absorbed by the Municipality if this ordinance is adopted. The Debt Service amounts are based on the Capital Outlay amounts and an assumed interest rate of 6%. It should be noted that while the proposed Debt Service Increases on the RIDs are included in this summary, they do not increase debt service already reflected in the road bond approval process. Private Sector Economic Effects: The property-owner approved assessments on approximately 400 properties will not be raised above the established cap. If further explanation is necessary, a separate page may be attached. Telephone: 343-8120 James L. Lamson Prepared by: (name) Date:\_\_\_\_\_ Validated by OMB: (name) Date:\_\_\_\_\_ Howard C. Holtan, P.E. Approved by: Director, Preparing Agency Date: \_\_\_\_\_ Concurred by: Director, Affected Agency Date: Approved by: **Executive Manager** 



### MUNICIPALITY OF ANCHORAGE ASSEMBLY MEMORANDUM

No. AM 101 -2007

Meeting Date: January 30, 2007

FROM:

Mayor

SUBJECT: An Ordinance Waiving the Assessable Share Requirement of Anchorage Municipal Code Section 19.40.100B. for Seven Road

Reconstruction Road Improvement Districts.

This ordinance waives the code requirement for property owner assessments to cover 10% of the total project costs on seven road reconstruction Road Improvement Districts (RIDs). The estimated average assessment share would be 6.5%, and the estimated project costs to be absorbed by the Municipality are approximately \$972,000. These projects are estimated to total \$28,000,000. The seven RIDs are:

Town and Country Estates Subdivision Area	AO 2004-172
Marathon Circle	AO 2004-173
Bayshore West Subdivision Area	AO 2004-164
Leawood Drive/Roy Street	AO 2005-129
58 <sup>th</sup> Avenue between Arctic Boulevard and Silverado Way	AO 2006-075
R Street hetween 40 <sup>th</sup> Avenue and Tudor Road	AO 2006-102
Arlene Drive, Kingfisher Drive, Pelican Drive and Pelican Court	AO 2006-091

Road construction costs increased approximately 40% over the last three years and, on most projects, the Municipality has been able to adjust CIP funding to match. However, RIDs are approved with an assessment cap of 10% above the approved estimate, and property owner approval is required if costs exceed this cap. While the streets in these RIDs are in poor shape, and the Municipality sees reconstruction as a priority, it is unlikely the 400 affected property owners would support the projects at the higher assessment level. The effect of failed re-ballots is cancellation of the reconstruction projects.

These seven RIDs were approved by property owners at an average cost of about \$1,034/LF, 38% higher than the average cost of RIDs completed in 2002 and 2003. Historically, a budget increase of this size would have covered construction inflation. However, the current estimated cost for these seven RIDs has risen even further to \$1,628/LF. More detail on the costs of these seven RIDs is attached.

Over \$800,000 has already been invested by the Municipality in these seven projects and if the RIDs fail in re-balloting, the Municipality's investment is lost. Approving this ordinance authorizes the Municipality to absorb about \$972,000 in

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AM for AO Walving 10% Assessable Share for Seven RIDs Page 2 of 2

costs that would have been assessed through the 90/10 program. The ordinance does not require tax revenue expenditure, as funding will come from road bonds.

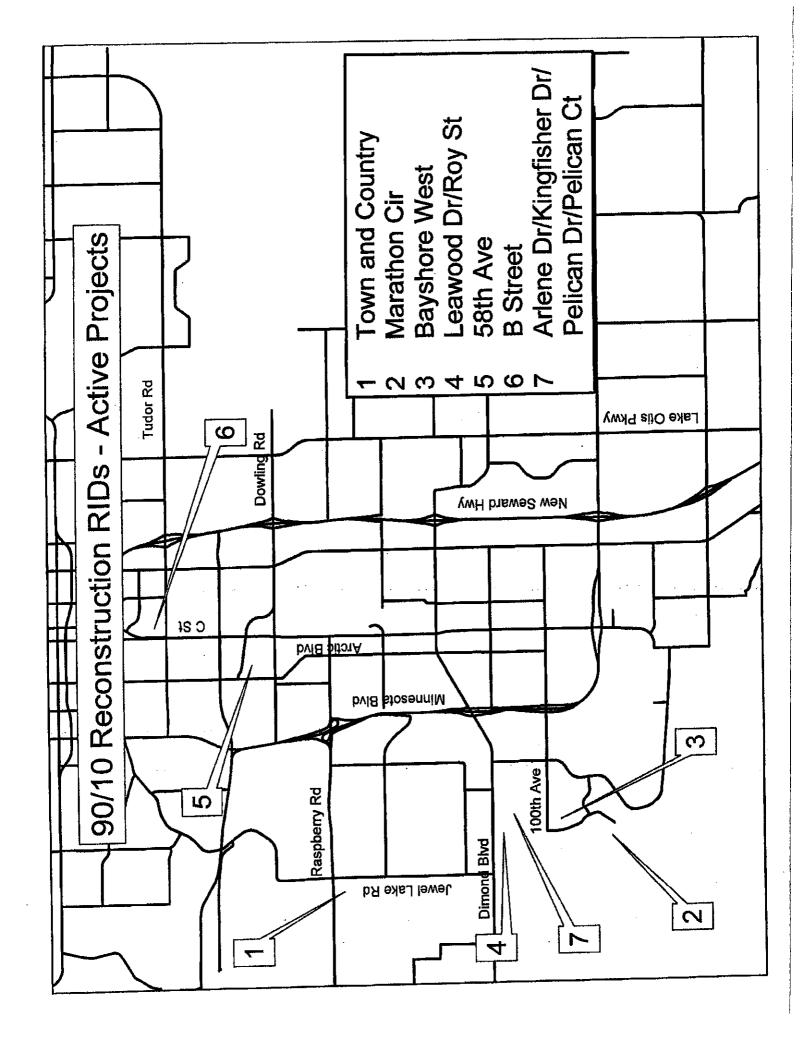
These seven RID projects would fully expend Reconstruction RID funding in the CIP for the next three years. While local road reconstruction is a growing need due to deteriorating neighborhood streets, it seems unlikely that property owners would approve future 90/10 projects with assessments in the \$7,000-per-lot range. If the 90/10 program is no longer effective in funding local road reconstruction projects, other options should be considered, such as changing the assessment formula.

THE ADMINISTRATION SUPPORTS APPROVAL OF AN ORDINANCE WAIVING THE ASSESSABLE SHARE REQUIREMENT OF ANCHORAGE MUNICIPAL CODE SECTION 19.40.100B. FOR THE SEVEN ROAD RECONSTRUCTION ROAD IMPROVEMENT DISTRICTS NAMED HEREIN.

Prepared by: Howard C. Holtan, Director, Project Management & Engineering Department

Concur: James N. Reeves, Municipal Attorney Concur: Denis C. LeBlanc, Municipal Manager

Respectfully submitted: Mark Begich, Mayor



## Budget Status and Funding Plan for 90/10 Reconstruction RID Projects January, 2007

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Funding Required	900,000	200,000	4,568,704	2,527,332	2,199,039	1,691,167	8,146,559	20,532,801		PRROVED	Total	20.532.80	10.150.00
Spent Existing Funding Funding Required	113,780 2,700,000	000,000	2,231,296	772,668	500,961	408,833	253,441	7,467,199		ONTHEX		STANDARD OF	ACCIP CONDING 19, 150 000
Spent	113,780	124,906	401,820	64,903	104,986	33,838	11,181	855,414		PINGRICE		¥ 800	Curent
Average Property Owner Assessment if Re-Balloted	\$8,372	\$5,238	\$5,000	\$7,333	\$15,000	\$15,000	\$7,500			HINTERSTRUCTORDINARICE ON THE APPRICATED ZAVAZATE CIP			
Average Property Assessment Balloted w/cap	\$4,058	\$2,881	\$3,235	\$4,107	\$10,389	\$14,536	\$5,500						
Additional Muni Cost with No Re-Ballot	\$185,499	\$49,500	\$239,998	\$145,200	\$83,000	\$45,000	\$224,000	\$972,197					
Current Budget Cost/LF	\$1,706	\$1,692	\$1,450	\$1,610	\$1,636	\$1,694	\$1,606		\$1,631	Ш			
CPD Revised Budget	\$3,600,000	\$1,100,000	\$6,800,000	000'008'53	\$2,700,000	\$2,100,000	\$8,400,000	\$28,000,000	Average				
RID Cap Cost/LF	\$827	\$931	\$638	\$301	\$1,133	\$1,331	\$1,178		\$1,010				
Approved Budget plus 10%	\$1,745,015	\$605,000	\$4,400,018	\$1,848,000	\$1,870,000	\$1,650,000	\$6,160,000	\$18.278.032	Average				
Assembly	Sullivan, Jennings	Birch, Shamberg	Birch, Shamberg	Sullivan, Jennings	Traini, Coffey	Traini, Coffey	Sullivan, Jennings						
RID Project Assembly Approved RID Cap Budget Cost/LF plus 10%	Town and Country Estates (Residential)	Marathon Cir (Residential)	Bayshore West Subdivision (Residential)	Leawood Dr - Roy St (Residential)	5 58th Ave (Business)	6 B Street (Business)	Arlene Dr Kingfisher Dr Pelican Dr.& Cir (Residential)	TOTAL	120	9924		-de-	

**Content ID: 008727** 

Type: AR\_AllOther - All Other Resolutions

A RESOLUTION CONFIRMING AND LEVYING SPECIAL ASSESSMENTS FOR SPECIAL ASSESSMENT DISTRICT 06-15, WHICH PROVIDED STREET RECONSTRUCTION AND STORM DRAIN IMPROVEMENTS ON 58TH AVENUE

Title: BETWEEN ARCTIC BOULEVARD AND SILVERADO WAY, AND SETTING THE DATE OF ASSESSMENT INSTALLMENT PAYMENTS, INTEREST ON UNPAID ASSESSMENTS, AND PROVIDING FOR PENALTIES AND INTEREST IN THE

**EVENT OF DELINQUENCY.** 

Author: maglaquijp

Initiating PME Dept:

Review OCPD

**Date** 2/12/10 8:47 AM **Prepared:** 

**Assembly** 

**Meeting** 3/2/10

Date:

Public

Hearing 4/13/10 Date: 3/23/10

Workflow Name	Action Date	<u>Action</u>	<u>User</u>	Security Group	Content ID
Clerk_Admin_SubWorkflow	2/19/10 10:19 AM	Exit	Joy Maglaqui	Public	008727
MuniManager_SubWorkflow	2/19/10 10:19 AM	Approve	Joy Maglaqui	Public	008727
MuniManager_SubWorkflow	2/19/10 10:18 AM	Checkin	Joy Maglaqui	Public	008727
CFO_SubWorkflow	2/17/10 11:27 AM	Approve	Nina Pruitt	Public	008727
OCPD_SubWorkflow	2/12/10 12:16 PM	Approve	Tawny Klebesadel	Public	008727
PME_SubWorkflow	2/12/10 8:52 AM	Approve	Jerry Hansen	Public	008727
AllOtherARWorkflow	2/12/10 8:50 AM	Checkin	Tish Millette	Public	008727