FLOW CHART FOR LOCAL IMPROVEMENT DISTRICT (LID) PROCESS Homer City Code 17.04

I. APPLICATION PHASE 1. Property owner makes application to the City Clerk for a Local Improvement District - provides preliminary boundary, and pays a non refundable application fee of \$100.00.

2. City Clerk puts together the names of the property owners of record, Kenai Peninsula Borough (KPB) Parcel Numbers and basic legal description of each parcel (as listed on the Borough Tax Assessment Rolls)to be benefitted on a form for property owner signatures, includes maps and sets a deadline date, which may be extended by request to the City Clerk.

3. Applicant is notified when the information is ready and obtains signatures. To be sufficient there must be signatures of record of at least 50% of the parcels as defined by Borough tax records in the proposed district.

4. This does not bind any property owner to any assessment. This is a confirmation that at least 50% of the property owners want to know more about this proposed LID.

5. If the Application has sufficient signatures. The City Clerk will notify Public Works and request an estimate of the project if a non HARP (Homer Accelerated Roads Program Project) and review of proposed boundaries, will set a date for a Neighborhood Meeting and will put together the petition with the estimated project cost and assessments. Notices will be sent from the City Clerk to the property owners regarding the Neighborhood Meeting. This meeting is to discuss the LID process and procedures and to answer questions. II. PETITION PHASE 1. The petition includes the property owner of record names and addresses, parcel numbers and basic legal descriptions of parcels to be benefitted by the improvements, and property value. (as listed in the Borough Tax Assessment Rolls). Also included is the estimated project cost and estimated assessments, unless HARP. HARP assessments are \$30 per front foot for reconstruction and \$17 per front foot for paving.

2. The Petition will also have the total property value listed and the amount of signature value required to obtain for sufficiency. At least 50% of property value.

3. The petition will include any terms or interest on assessments that are known.

4. The City Clerk will set a deadline of 60 days, which may be extended up to an additional 30 days.

5. Once the petition is completed the City Clerk will notify the original applicant who is then responsible to obtain signatures.

6. Upon receipt of the petition the City Clerk shall verify that the owners of at least fifty percent or more in value of the property to be benefitted by the improvement have signed the petition.

7. If the petition is sufficient the City Clerk shall forward the request to the City Council who shall find by resolution whether the improvement requested is necessary and should be made. A public hearing date will be set and advertised for four consecutive weeks and notices sent to the property owners. A 60 day objection period will follow the public hearing date.

8. If a landowner vacates a property line or property lines for the purposes of combining more than one parcel to form a single parcel of land that vacation must occur prior to the public hearing notice sent to the property owners. A vacation of lot line(s) must occur within the time line stated in HCC 17.04.040(b)(1) for a parcel to be assessed as a single parcel.

9. If the petition is insufficient the City Clerk shall forward the information to the City Council who shall find by resolution that the same local improvement district request and petition may not be submitted for at least six months from the date of the adoption of the resolution, that the same requesters/property owners may file with the City Clerk a request for the same improvements for a modified area within thirty days from the date of the adoption of the resolution.

10. Without property owner consensus the City Council may determine that an improvement is needed, and initiate by passing a resolution by approval of not fewer than three-fourths vote of the Council so declaring. The rest of the process will be followed which includes a public hearing to be advertised for four consecutive weeks and notices sent to the property owners not less than 15 days prior to the hearing. A 60 day objection period will follow the public hearing date.

III. OBJECTION PERIOD 1. The City Clerk will provide the property owners of record a packet of information that shall include a preliminary assessment roll with property owner of record names and addresses, parcel numbers and basic legal descriptions of parcels to be benefitted by the improvements, property values (as listed in the Borough Tax Assessment Rolls), the estimated project cost and estimated assessments and Maps.

2. The owner of record of property to be assessed may file a written objection to the plan no later than sixty days after the public hearing.

3. At the end of the sixty days, if the owners of property in the district who shall bear fifty percent or more of the total costs have not objected, the City Council may pass a written resolution approving the plan and proceeding with the improvement. This now becomes an Assessment District.

4. Non responses during the sixty day objection period shall be deemed to be non - objections.

5. If objections are made in writing during the period set forth for objections by owners of property who shall bear fifty percent or more of the total estimated cost of the improvement, the City Council may not proceed with the improvement unless the plan is revised to meet the objections and the objections are reduced to less than fifty percent. The Council may then pass a resolution approving the revised plan, which shall now become an original plan, and proceed with the improvement.

6. If a change is made by Council in an improvement district boundary, such change shall be made promptly by the City Clerk after any amendment thereof has been passed. Property owner(s) affected by the change will be notified promptly by the City Clerk in writing. IV. SURVEY AND DESIGN 1. If the Assessment District passes the objection period and the City Council has passed a Resolution to proceed with the improvements then Public Works may advertise an RFP (Request for Proposals) for professional services for survey and design of the improvement project.

V. CONSTRUCTION 1. Once the Survey and Design are completed Public works may advertise an Invitation to Bid for the improvement project.

2. When the bids are opened if the costs exceed the estimated project costs to affect the property owner assessments by 115% the project may not be awarded until such time as the property owners of record have been notified in writing of such costs.

3. If the property owners who shall bear one half of the cost do not object to the additional costs the City Council may award the contract for construction.

4. If the property owners do not consent and the City Council is unable to reduce the costs the City shall not award the project. The property owners shall be liable for any and all costs incurred, except where Council specifically assumes such costs. Council shall dissolve the assessment district. VI. PROJECT ACCEPTANCE 1. Once the project is completed and Public Works has accepted the project. This improvement project as accepted will go back to the City Council for implementation into the maintenance program as applicable and a public hearing will be set to hear any of any errors or inequalities to the Final Assessment Rolls.

VII. FINAL ASSESSMENT ROLL SET DATE FOR ANNUAL PAYMENTS PENALTY AND INTEREST

1. After the Public Hearing the City Council will pass a Resolution setting the Assessment Payment schedule, penalties and interests.