

Session 15-11 a Special Meeting of the Homer City Council was called to order on March 16, 2015 at 6:00 p.m. by Mayor Pro Tempore Francie Roberts at the Homer City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and opened with the Pledge of Allegiance.

PRESENT: COUNCILMEMBERS: BURGESS, LEWIS, ROBERTS, VAN DYKE, ZAK
(telephonic)

ABSENT: REYNOLDS (excused)

STAFF: CITY CLERK JOHNSON
COMMUNITY & ECONOMIC DEVELOPMENT
COORDINATOR KOESTER
DEPUTY CITY PLANNER ENGBRETSSEN

Councilmember Reynolds has requested excusal.

Mayor Pro Tempore ruled Councilmember Reynolds' absence as excused. There was no objection from the Council.

Councilmember Zak has requested telephonic participation.

LEWIS/BURGESS – MOVED TO ALLOW COUNCILMEMBER ZAK TO PARTICIPATE TELEPHONICALLY.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

AGENDA APPROVAL (Only those matters on the noticed agenda may be considered, pursuant to City Council's Operating Manual, pg. 5)

The following amendments were made: **NEW BUSINESS** - Resolution 15-016, A Resolution of the City Council of Homer, Alaska, Amending the Preliminary Assessment Roll for the Homer Natural Gas Special Assessment District by Exempting Property and Correcting Errors in the Assessment Roll. City Clerk. Attachment A. Written comments/objections.

Mayor Pro Tempore Roberts called for a motion for the approval of the agenda as amended.

BURGESS/VAN DYKE – SO MOVED.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

PUBLIC HEARING(S)

A. Homer Natural Gas Special Assessment District

Mayor Pro Tempore Roberts opened the public hearing.

Diane Borgman, city resident, missed the objection deadline. She received no benefit from the gas line.

Dick Lewis, city resident, has gas and water in front of his property in the Lillian Walli Subdivision but has no access to it.

Bonny Boisvert, city resident, requested an exemption for lot 17401017.

LaRene Rogers objected to four gas assessments on one piece of property - 17316016, 17316020, 17316023 and 17316024.

Sarah Vondersaar asked for an exemption or forgiveness for deferment on lot 17508214.

Kim Seymour, city resident, asked for a waiver of assessments on his two lots due to financial hardship.

Mayor Pro Tempore Roberts closed the public hearing.

NEW BUSINESS

A. **Resolution 15-016**, A Resolution of the City Council of Homer, Alaska, Amending the Preliminary Assessment Roll for the Homer Natural Gas Special Assessment District by Exempting Property and Correcting Errors in the Assessment Roll.

Memorandum 15-037 from City Clerk as backup.

Mayor Pro Tempore Roberts called for a motion for the adoption of Resolution 15-016 by reading of title only.

LEWIS/VAN DYKE – SO MOVED.

Deputy City Planner Engebretsen referenced Attachment A that includes exemptions for lots that are not developable. Previously the Council passed resolutions exempting lots on the same criteria. The Council reviewed and discussed objections in the packet.

The Council discussed the lack of notice and time for property owners to vacate lot lines to reduce the number of assessments. The City followed the process as outlined in HCC 17.04 for the natural gas assessment district. The Council discussed reviewing properties that could be combined into one assessment and the problems associated with it, including litigation.

Deputy City Planner Engebretsen told the Council 150 parcels were exempted at the beginning and over time more property owners have come forward to request exemptions. The exemptions were for low assessed lots that are truly not buildable. If a lot would qualify to receive a permit it would not be exempt.

Reference was made to Resolution 12-069 that the Council adopted July 23, 2012 that: “WHEREAS, The Council finds that the natural gas distribution system will benefit equally all parcels of real property in the City that will receive access to natural gas service through the construction of the natural gas distribution system, and that all parcels so benefited should be assessed equally for the cost of the natural gas distribution system.”

The Council discussed condominiums as a parcel of real property that is a moveable, single, and tradable asset. Otherwise they would be an apartment complex. All condominiums would benefit from gas.

The Council explored many options for assessments including per parcel of assessable real estate, by appraised value, and lot frontage. They selected the option with the most legal basis, the most feasible to implement, and what people can understand. Churches and non-profits were assessed. Everyone benefitted from the city-wide natural gas distribution. The Council selected the most legally defensible and equitable position.

No changes were made to the condominium assessments; each condominium will be assessed as an individual property.

The Council discussed financial hardships and the process. The Finance Department will be mailing statements to all property owners notifying them of the 10-year option or the deferral process. Before the notice is mailed the Council requested a review of the information.

Discussion on the Vanzant property, where the property owner claims the gas line caused damage ensued. Community and Economic Development Coordinator Koester reported the property is in the St. Augustine neighborhood. Public Works Director Meyer and Enstar spent a lot of time looking at drainage issues. The DOT Commissioner was contacted about the drainage issues. There are a lot of things that go on in the area with drainage from the Sterling Highway and other elements that make it a gnarly issue.

Enstar is telling people they don't have gas, but when Deputy City Planner Engebretsen researches the parcel she finds they are served. We have the contract with Enstar that all the properties on the preliminary assessment roll are served. The roll will be replaced with the final assessment roll. Enstar can run a long service line to serve the properties in question.

Lillian Walli Estates – the trunk line runs up West Hill and on Fairview. The subdivision agreement states that none of the lots shall be developed until the entire subdivision is developed and served with water/sewer and electric. The matter is complicated and the Council initiated the process after Administration worked on a resolution. When they do develop they will have access to gas and water. Deputy City Planner Engebretsen told the Council it is cost prohibitive to develop the subdivision and unlikely we will see anything happen until there is more motivation on behalf of the homeowners. The Council could defer assessments on lots until the owners are able to develop their property.

Tolman, Erickson Family Trust, Dr. Hodnick, and Rogers Homestead all have split properties with the road.

On airport leases we are assessing lessees. There are leases at the airport and on the Spit properties. The Council discussed assessing the property owners instead of the lessees. The assessment should ride with the land. Lease terms could be negotiated to provide compensation for the assessments.

BURGESS/LEWIS – MOVED TO CHANGE THE ENTITY TO THE ASSESSED PAGE 185 TO BE THE OWNER OF REAL PROPERTY WHICH I BELIEVE TO BE THE STATE DEPARTMENT OF TRANSPORTATION.

There was no additional discussion.

VOTE: YES. NON OBJECITON. UNANIMOUS CONSENT.

Motion carried.

Mayor Pro Tempore Roberts ruled Councilmember Van Dyke has a conflict of interest when discussing property owners who have multiple assessments. There was no objection from the Council.

Councilmember Van Dyke was excused from discussion.

The Council discussed multiple lots adjacent to those totally undevelopable; there could be a septic system on one lot.

The Rogers Homestead is requesting exemption of three parcels of their four parcel homestead. The Borough views them as one parcel. They never purchased separate parcels.

BURGESS/LEWIS – MOVED TO ADD ALL BUT THE PRIMARY PARCEL ID UNDER WHICH THE PRIMARY RESIDENCE EXISTS; THREE PARCELS TO THE EXEMPT LIST (ROGERS PROPERTIES).

City Planner Engebretsen discouraged adding a plat note that the other three parcels could not be developed. The district is relatively short and a plat note is forever. The lots are buildable and they could be built on.

VOTE: YES. LEWIS, BURGESS, ROBERTS

VOTE: NO. ZAK

Motion failed.

The Council discussed lots on wetlands where permits could be obtained to develop said lots.

Councilmember Van Dyke returned to his seat.

Mayor Pro Tempore Roberts called for a recess at 8:00 p.m. and reconvened the meeting at 8:12 p.m.

City Clerk Johnson advised the Council another vote on the Rogers exemption was needed to include Councilmember Van Dyke who was inadvertently excluded. The vote did not pertain to multiple parcels, but rather lots that were divided by the road.

REVOTE: YES. ROBERTS, LEWIS, ZAK, BURGESS, VAN DYKE

Motion carried.

The Council reviewed the objections in the Supplemental Packet and the Laydown Packet.

The Homer Council on the Arts requested an exemption on one parcel due to its small size.

LEWIS/BURGESS - MOVED TO EXEMPT PARCEL 17515215.

A lot could have a small cabin that is heated with natural gas.

Councilmember Van Dyke was excused from discussion due to a conflict of interest pertaining to multiple lots.

The Council found no potential for future development to the lot with Woodard Creek and the parking lot in it.

VOTE: YES. ROBERTS, BURGESS, LEWIS

VOTE: NO. ZAK

Motion failed.

Councilmember Van Dyke returned to his seat.

The Council asked staff to prepare a list of deferrals to include Hodnick, Erickson Trust, etc.

ZAK/BURGESS – MOVED TO RECONSIDER HCOA.

Councilmember Van Dyke was excused from discussion due to a conflict of interest pertaining to multiple lots.

There was no discussion.

VOTE: (reconsideration) YES. LEWIS, ZAK, ROBERTS, BURGESS

The parcels did not meet the deadline for merging into a single use. The only rationale is the lot is too small to benefit from the assessment.

VOTE: (exempt parcel 17515215) YES. ZAK, BURGESS, LEWIS, ROBERTS

Motion carried.

Councilmember Van Dyke returned to his seat.

BURGESS/LEWIS – MOVED TO AMEND THE AMENDED ATTACHMENT A BONNIE THOMPSON PARCEL ID ENDS IN 8 NOT 9.

There was no discussion.

VOTE: YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

BURGESS/LEWIS - MOVED TO EXEMPT PARCEL 17717705.

Natural gas cannot be utilized at the lot since it is eroding on the seawall. Half of the structure overhangs the seawall. Although there are creative approaches to developing the property with a permit from the Corps of Engineers it would be irresponsible to bring gas to the lot.

VOTE: YES. BURGESS, LEWIS, VAN DYKE, ROBERTS

VOTE: NO. ZAK

Motion carried.

Councilmember Burgess excused himself from participation while the Council considered his objection to an assessment of his property that was not served with gas.

Deputy City Planner Engebretsen confirmed with Enstar's project engineer this afternoon that there is gas on the lot and Mr. Burgess received incorrect information from Enstar.

Councilmember Burgess returned to his seat.

VOTE: (main motion as amended) YES. NON OBJECTION. UNANIMOUS CONSENT.

Motion carried.

COMMENTS OF THE AUDIENCE

Lee Page commented on the condition of Fireweed Avenue and hopes the Council will bring it up to standards for city streets.

Larry Slone, city resident, thanked the Council for their efforts and attention to the process. He commented the Council did not have adequate information to include maps, photographs, and other information about certain properties.

COMMENTS OF THE CITY ATTORNEY

City Attorney Klinkner was not present.

COMMENTS OF THE CITY CLERK

City Clerk Johnson commended the Council for getting through the process that has taken three years.

COMMENTS OF THE CITY MANAGER

City Manager Yoder was not present.

COMMENTS OF THE MAYOR

Mayor Pro Tempore Roberts thanked everyone for being here and to care enough to listen to deliberations. The Council considered things and thought about it wisely.

COMMENTS OF THE CITY COUNCIL

Councilmember Van Dyke commented it was a long process; he got his exercise today. He is glad the process is put to bed as the Council spent a lot of time on it. He liked the good comments from Slone; he appreciates the different chain of thought. Good night.

Councilmember Zak reiterated what the Clerk said about the three-year process. He reached out to city staff for supporting documents to make decisions in an organized fashion. It allowed the Council to get through the material in a reasonable manner.

Councilmember Burgess thanked Larry Slone for his input and meticulous perspective. Maybe someday he will run for City Council. He offered a heartfelt thanks to city staff, Julie, Jo, Clerks, and Planning. It was a huge task set before you. He thanked the audience for participating and sticking with the process, holding us accountable, and being aware of what is going on. On poverty guidelines and deferrals, he reminded people tonight we just dealt with exemptions. There is still opportunity for deferrals that the Council may suggest at a later date. He can't speak for the Council, but there may be lots of cases where we do deferrals. He reminded staff two to three days before the mail out to pass it on to the Council and to start to compile a list of people who wish to get deferrals. Thank you and good night.

Councilmember Lewis thanked everyone who put their time and effort in. Good night.

ADJOURNMENT

There being no further business to come before the Council, Mayor Pro Tempore Roberts adjourned the meeting at 9:27 p.m. The next Regular Meeting is Monday, March 23, 2015 at 6:00 p.m., Committee of the Whole 5:00 p.m., and Worksession 4:00 p.m. Special Meetings are scheduled for Tuesday, March 17, 2015 at 5:00 p.m. and Tuesday, March 24, 2015 at 5:00 p.m. All meetings scheduled to be held in the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska.

JO JOHNSON, MMC, CITY CLERK

Approved: _____