



Memorandum 19-058

TO: MAYOR CASTNER AND HOMER CITY COUNCIL
FROM: COUNCIL MEMBERS LORD AND STROOZAS
DATE: MAY 22, 2019
SUBJECT: REWRITE OF HOMER CITY CODE TITLE 14 AND TITLE 17

Ordinance 19-23 provides a major overhaul of our City Code regarding water and sewer public utilities and special assessment districts. The legal memo outlines the major changes, encompassing both the proposed structural and policy changes. We have reserved June 11, 2019 at 4:00 p.m. for a worksession on this Ordinance, and we propose at least two public hearings to ensure time for both the public and Council to review and digest these proposed changes.

This is a huge undertaking, and we want to highlight several proposed **policy changes for the Council's** attention:

- Proposed Homer City Code (PHCC) 14.01. While also providing a critical consolidation of general **provisions for Homer's water and sewer utilities, this section also includes basic language that is a skeleton of Ordinance 19-19 (14.04.010)**. We understand these are moving simultaneously, and suggest that the language be maintained in this Ordinance as a place-holder while 19-19 moves through the public process. As this Ordinance will likely take substantially longer to move, an amendment can be made to replace the language on Page 2, Lines 24-26 as appropriate. Note that this Ordinance also proposes deleting HCC 14.04.115
- Homer City Code (HCC)/PHCC 14.04.02 (Page 4 of the legal memo)
- HCC 14.30 deleted, revised and moved to PHCC 17.18. Pulls the developer reimbursement program in line with the special assessment district process and provides clarity on City responsibility (Page 7 of the legal memo)
- PHCC 17.02.010 Provides definitions for benefited area and developable land, providing a clear alternative to equal area assessments and maintaining flexibility in establishing the assessment method for a district.
- HCC/PHCC 17.02.100 is a revision of the subdivision after levy of assessment section of current code which you may recall from Ordinance 18.18 (failed). This proposal clarifies the calculation of the connection fee, and provides for a sunset date equal to the financing terms for the original assessment.
- HCC 17.04.190/PHCC 17.04.190 increases the qualifying income to 200% instead of 125% to be consistent with surrounding communities on the Kenai Peninsula. This would mean a family of four making less than \$64,380 would be able to qualify for a hardship deferral (vs. the current guideline of 125% or \$40,237).

- HCC 17.04.200/PHCC 17.02.200 Provides a clear process for properties outside an assessment district to join the district. See the accompanying diagram.
Future work, following on the heels of this Ordinance, will include updates to HCC 11.38 (the developer reimbursement program for roads), the HAWSP/HART policy manuals, the fee schedule, and a review of the penalty schedule (a copy of our current schedule is included in this packet for your reference).
Similar to the legal memo provided by BHBC, this does not encompass all of the substantive changes in the Ordinance. However, it does highlight significant points that we believe the Council should review and discuss at a minimum, and we look forward to the conversation.