HCC Chapter 17.02 "Special Assessment Districts" HCC 17.04.040 "Initiation of district."	PHCC 17.02.040 "Initiation of district" revised to permit a special assessment district to be requested by a developer through a written request form to Council for resolution. This permits a developer to trigger the assessment district process but ensures that all assessments and the obligations that accompany them follow the same notice and hearing procedures. The petition process was not substantially changed but the language was simplified and the contents of the petition required by the Clerk were removed. The Clerk's petition forms will include that information as a matter of course and under State law. Referral of all proposed districts now go to the Public Works Director rather than the City Manager in order to reflect longstanding practice.
HCC 9.08 "Enforcement of Local Improvement District Assessments" repealed	HPCC 17.03 "Enforcement of Public Assessments" incorporates the essential and current provisions from HCC 9.08. PHCC 17.03.010 declares that assessments create a lien and requires that foreclosure of an assessment lien be done in accordance with the procedures required under Alaska Statute for property taxes, as required by State law. PHCC 17.03.020 acknowledges that a lien under Title 17 has priority.

HCC 17.02.050 "Creation of district."	Moved to PHCC 17.02.050 "Creation of a special assessment district." No substantial changes, just clarification of language.
HCC 17.04.060 "Approval of increased costs."	Moved to PHCC 17.02.060 without substantial changes to the requirements but significant changes to clarify the language.
HCC 17.04.070 "Assessment roll."	Moved to PHCC 17.02.070 and language simplified.
HCC 17.04.100 "Subdivision after levy of assessments."	Moved to PHCC 17.02.100 and limited to property that is assessed by a method other than the benefited area method. The connection fee is identified as the amount of the original assessment adjusted by the increase in the number of parcels but does not require an adjustment for CPI. It removes the allocation of assessment amounts among property owners because of the difficulty of administering this provision and limits the duty to pay a subdivided property connection fee to lot subdivisions that occur before the original assessment has been paid in full.
HCC 17.04.170 "Water and sewer connection required."	Moved to PHCC 17.02.170. The time for connection for water and sewer assessments was extended from one to three years.



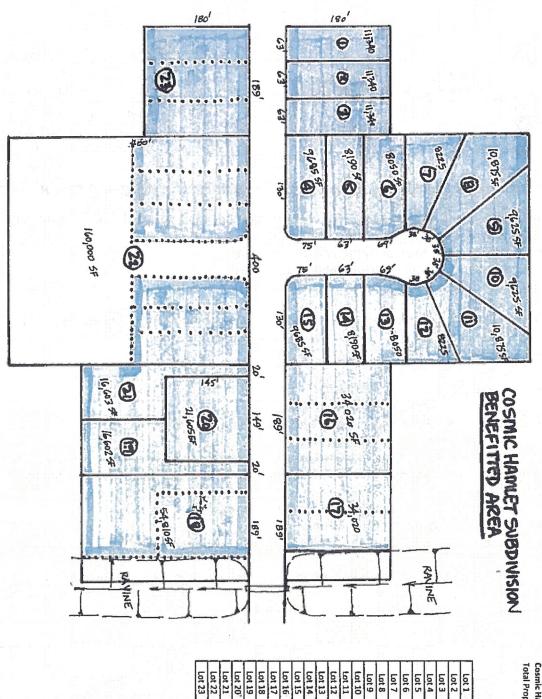
Office of the City Manager

491 East Pioneer Avenue Homer, Alaska 99603

citymanager@cityofhomer-ak.gov (p) 907-235-8121 x2222 (f) 907-235-3148

Fictitious Cosmic Hamlet Subdivision Special Assessment District Run-through with "Joe Homer"

- 1. Joe Homer, property owner of Lot 22 in the Cosmic Hamlet Subdivision, goes to the City Clerk and submits the \$100 fee to initiate a special assessment district (SAD).
- 2. City Clerk circulates notice to property owners via certified mail.
- 3. Twelve property owners (or 50%) sign the petition to proceed.
- 4. <u>Equal Area Method Resolution:</u> City Council approves a resolution acknowledging there are enough signatures to initiate a SAD.
- 5. A neighborhood meeting is scheduled for all the property owners in the Cosmic Hamlet Subdivision.
- 6. The Public Works Director prepares an improvement plan with the following:
 - Boundaries
 - Design
 - Cost estimate (25% City, 75% Cosmic Hamlet)
 - Preliminary Assessment Roll (23 properties)
 - Methodology ("equal area unless directed by Council otherwise")
 - Financing period (generally 20 years)
- 7. In preparation for the public hearing with City Council regarding the improvement plan, the City Clerk publishes notice in the newspaper twice and sends certified mail to every property owner in the Cosmic Hamlet Subdivision.
- 8. Property owners have until the day before the public hearing to object.
 - Property owners 1-12 object in writing.
 - District cannot proceed as proposed because owners who would bear 50% or more of the cost objected.
- 9. <u>Benefitted Area Method Resolution:</u> Council introduces a new resolution revising the improvement plan to reduce the assessed cost of the improvement borne by objecting property owners to less than 50% of the cost of the improvement by switching the methodology of assessment to benefitted area.
- 10. Council holds a public hearing on Benefitted Area resolution.
 - Process starts back at Step 7 unless property owners waive protest period and public hearing in writing.
- 11. Benefitted Area resolution passes. Even though the same 12 parcels object, they no longer would bear 50% or more of the cost of the improvement because Lots 16-23 are larger and pay more under benefitted area methodology.
- 12. City Council passes resolution authorizing City Manager to apply for a loan with ACWDF.
- 13. Council passes resolution awarding bid for construction of water line.
- 14. Council passes ordinance authorizing expenditure and accepting loan.
- 15. Construction occurs.
- 16. After completion of improvement, City Council holds a public hearing on a resolution confirming assessment and assessment roll. All property owners will be noticed with certified mail 15 days before the public hearing and shall have the opportunity to revise objections at the hearing.
- 17. Council passes the resolution confirming assessment and assessment roll that includes payment, penalty, and interest.
- 18. Thirty days after resolution passes, Finance mails a statement to each property owner and publishes the statement in the newspaper.
- 19. Cosmic Hamlet property owners make annual payments to the City and a lien is placed on their property until they have paid off their obligation.



2286

514,999

385,169

\$750,000

130 189 189 149 20

16602 21605 16602 160000 34020

16602 21605 16602 68000 34020

69

38 38 S 53

38

9685 8190 8050 8225 10875 9625 9625 9625 9825 8225

8190 8050 8225 10875 9625 9625 10875 8050

\$15,948 \$15,675 \$16,016 \$21,176 \$18,742 \$18,742 \$18,742 \$18,742 \$18,742 \$18,742 \$18,742 \$18,742

38

63 38

8190 9685 34020 34020 54810

8190 9685 34020 25200 25800

\$15,948 \$18,859 \$66,244 \$49,069 \$50,238 \$50,238 \$32,327 \$42,069 \$32,327 \$32,327

Cosmic Hamiet Subdivision SAD
Total Property Owger Cost = \$750,000

frontage

ō

benefitted

Assessment per benefited

130

9685

63

area (SF) 11340 11340 11340

area (SF) 11340 11340 11340

lot area \$22,081 \$22,081 \$22,081 \$18,859