



City of Homer

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Memorandum 21-148

TO: Mayor Castner and City Council
THROUGH: Rob Dumouchel, City Manager
FROM: Janette Keiser, PE, Director of Public Works
DATE: August 13, 2021
SUBJECT: Bunnell Avenue/Charles Way Water & Sewer Special Assessment Districts

Issue: The purpose of this Memorandum is to recommend the method of assessment computation for the Bunnell Avenue/Charles Way Water & Sewer Special Assessment Districts.

Background:

On May 10, 2021, the City Council adopted Resolution 21-030 initiating the process for creating special assessment districts to bring City water and sewer to the Bunnell Avenue/Charles Way neighborhood.

In response to the public comments we received about the proposed special assessment district, we recommend that the Benefitted Area method of assessment be used.

Per the HCC, there are three possible methods of computing assessment: Equal Share, Frontage Foot and Benefitted Area. Usually, the Equal Share method is used, unless there is a compelling reason for a different method. For example, one of the properties in the Alder Lane Water Assessment District was three-four times larger than the other lots. With the Equal Share method that property would have been assessed the same as the smaller lots, which wasn't equitable. So, we recommended, and the City Council adopted, the Benefitted Area method. With the Ocean Drive Seawall Special Assessment District, the benefit to each property was directly proportional to the length along the Seawall, so the Frontage Foot method was used. With the districts (water & sewer) proposed for the Bunnell Avenue/Charles Way neighborhood, the Benefitted Area method would be most equitable because it would account for the benefit to Bishop's Beach, one of the City's most popular parks as well as several other larger properties.

The attached spreadsheets show the effect this method will have on the proposed assessments. The computations for the larger lots only includes the first 200 feet of the lot, as allowed in HCC 17.01.010, so long as this approach is approved by Council.

Recommendations:

1. That the City Council adopt the Benefitted Area Method as the method of assessment for the Bunnell Avenue/Charles Way Special Assessment District.
2. That the City Council approved the approach of only including the first 200 feet of the lots that are at least 50 percent larger than the average lot in the proposed district.