



MEMORANDUM

Ordinance 25-07, An Ordinance of the City Council of Homer, Alaska Amending the FY25 Capital Budget by Appropriating \$67,480.81 from the Homer Accelerated Water and Sewer Program (HAWSP) for the Purpose of Reimbursing Seven Property Owners in the Bunnell Ave/Charles Way Special Assessment District for the Cost of E-One Lift Stations.

Item Type: Backup Memorandum
Prepared For: Mayor Lord and Homer City Council
Date: January 30, 2025
From: Melissa Jacobsen, City Manager

At the January 27, 2025 meeting Council requested information explaining the assessment methodology used to assess property owners in the Charles Way/Bunnell Ave Special Assessment District (SAD).

The benefitted area methodology was initially proposed in Resolution 21-057 by former Public Works Director Keiser for this SAD and at the December 13, 2021 regular council meeting property owners in the district spoke out against the methodology. After substitutions and several postponements, Resolution 21-057(S-2) failed on March 14, 2022.

In the time between December 13, 2021 and March 14, 2022 meetings, Ms. Keiser proposed a hybrid methodology that would use both equal shares and benefitted methods for assessing this SAD. Council adopted Ordinance 22-11(S)(A) and amended Title 17 to include a definition of hybrid methodology to make this a legal option. "Hybrid method" means an assessment method allocating costs between lots in a district using a combination of methods defined in this chapter.

In addition, there is language in Title 17 definitions defining developable land. Developable land is "land that, in the discretion of the Public Works Director, can be reasonably developed for uses permitted within the property's zoning district". Using this language, Ms. Keiser created a developable area of the benefitted area methodology, and notified property owners in the SAD that this developable land methodology would be used to assess properties in the district. A chart in the attachments shows the breakdown of developable land computations.

Resolution 22-017(A) was adopted on March 14, 2022 and approved the hybrid methodology using equal shares and benefitted area methods, and limiting the benefitted area to the developable area.

Following that, Resolution 22-023, correcting dollar amounts, was adopted March 29, 2023 and superseded Resolution 22-017(A).

The reimbursements identified in Ordinance 25-07 uses the methodology described above to calculate the amounts for the reimbursements to property owners.

There is the question of whether this is an appropriate way to “make it right” for those properties who did not receive the benefit of the E-One lift stations. Staff struggled with the notion of what’s fair and equitable because there doesn’t seem to be an easy answer. The lift stations couldn’t be installed on properties without structures because that would limit future ability to improve the property and the lift stations shouldn’t sit unused over the winter months.

RECOMMENDATION: Options Council could consider-

- Adopt Ordinance 25-07 as is.
- Remove the City’s reimbursement amount and disperse it among the other owners who did not receive the lift stations.
- Postpone Ordinance 25-07 and
 - Ask staff to recalculate a more equitable reimbursement based on the actual benefit other property owners received, and
 - Determine a timeline and method for holding these reimbursement funds, and criteria to reimburse property owners when they develop their property.

Attachments:

- Memorandum dated January 6, 2022 from Public Works Director Keiser to property owners in the Bunnell Road/Charles Way Neighborhood
- Resolution 22-023 and attachments



City of Homer

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Office of the City Clerk

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Homer, Alaska 99603

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(f) 907-235-3143

January 11, 2022

Dear Property Owner,

The Charles Way/Bunnell Avenue Water and Sewer Special Assessment District (SAD) has been amended to use a Developable Area methodology and reduce the size of the improvement district.

Enclosed with this letter you will find a memorandum from Public Works Director Jan Keiser explaining the changes, an updated Estimated Project Costs for both the water and sewer, and an updated preliminary assessment roll.

A resolution to acknowledge the sufficiency of the Charles Way/Bunnell Avenue Water and Sewer SAD and approving the improvement plan, estimated cost of improvement, and assessment methodology will be before Council at their regular meeting on January 24, 2022. The meeting begins at 6:00 p.m. and will be conducted in person at the City Hall Cowles Council Chambers located at 491 E. Pioneer Avenue, Homer, Alaska, and virtually by Zoom Webinar ID: 205 093 973 and Passcode: 610853.

A notice of public hearing and right to object was mailed to property owners in the Charles Way/Bunnell Avenue Water and Sewer SAD on June 3, 2021 and a public hearing was held on August 9, 2021. City Council postponed action on this matter to allow Public Works to address the concerns raised by property owners, postponed a second time to allow for noticing property owners of the updated district boundaries, methodology, and estimated assessment amounts and then postponed a third time at the request of the Public Works Director (Memorandum 21-190) to allow additional time for further review of the proposed project.

If the proposed methodology is accepted by City Council at their January 24, 2022 Regular Meeting a Notice of Objection packet will be distributed to all property owners on the amended Preliminary Assessment Roll.

The City Council Agenda Packet and copies of the resolution and supporting documents will be posted on the City of Homer website by the end of day, Thursday, January 20, 2022.

Please feel free to contact the City Clerk's Office at the number or email shown above if you have questions.

Respectfully,

Renee Krause, MMC
Deputy City Clerk

Enc: Memorandum from Public Works Director dated January 6, 2022
Estimated Construction Costs for water and Sewer
Estimated Property Owner Developable Area Methodology Spreadsheet
Amended Preliminary Assessment Roll Developable Area Method 01/11/22



City of Homer

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Public Works

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Homer, AK 99603

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Memorandum

TO: Property Owners in Bunnell Road/Charles Way Neighborhood

FROM: Janette Keiser, PE, Director of Public Works

DATE: January 6, 2022

SUBJECT: Update – Charles Way /Bunnell Ave Water & Sewer Special Assessment Districts

Purpose of Memorandum: The City Council, at their regular meeting of December 13, 2021, postponed action on Resolution 21-057(S), acknowledging the sufficiency of the Bunnell Avenue/Charles Way Water and Sewer Improvement Special Assessment Districts. This was done at my request so we could re-evaluate the method of assessment. The purpose of this Memorandum is to report on the re-evaluation.

Method of Assessment. I looked for a better way of spreading the assessments around the neighborhood. My first strategy was to look at what it would cost if we brought the water and sewer lines to Bishop's Beach Park as a capital project and then allowed property owners, on their own, to connect to the new mains after they were installed. This is actually the cheapest option for the City, because, under this option, the City is responsible for the least amount of pipe, etc. The estimated cost of this option, to the City, is \$126,000. The City's involvement as a property owner participant, under the Benefitted Area method, including both the City's share of the assessment and the contribution through HAWSP, is \$317,634. If you include the ADEC grant of \$225,690, the City's monetary contribution is even higher – \$543,324. So, using the Special Assessment District process and including the City as a property owner participant is the most economical way, from the perspective of the private land owners, to bring City water and sewer to the neighborhood.

Further, since Bishop's Beach Park is the largest parcel in the neighborhood, the "Benefitted Area" method of assessment is the best way to assess the Park for the full value of benefit received; that is, the Benefitted Area of the Park is the full acreage of the Park.

My second strategy was to consider only the "Developable Area" of the Benefitted Area. This is a method of computation allowed under the Homer City Code, which I overlooked in my earlier research until it was brought to my attention by Mr. & Mrs. Vann. For the 7500 SF lots, for all practical purposes, the Developable Area is the same as the lot size, so the proposed assessment doesn't change much. For the City, the Developable Area of Bishop's Beach Park is the entire parcel, so the proposed assessment increases.

The City's GIS Technician computed the Developable Area of the lot owned by the Vann Revocable Trust at 19,970 SF, considering the current location of the bluff and the 20 foot building setback on Charles Way. This is less than the Developable Area computed by the Vanns' surveyor – 22,149 SF. This significantly reduces the Vann's assessment to a number that is less than the number originally proposed in early 2021.

The new assessment computations are based on the Developable Area.

Concept Cost Estimate

BUNNELL/CHARLES WAY SAD WATER IMPROVEMENT

2/23/2021

Construction Cost

	quantity	unit	unit price	cost
Mobilization	1	LS	\$ 50,000	\$ 50,000
Clearing/Grubbing	1	LS	\$ 1,900	\$ 1,900
8" HDPE Main	2100	LF	\$ 90	\$ 189,000
8" Valve	8	EA	\$ 5,000	\$ 40,000
Fire Hydrant	2	EA	\$ 7,500	\$ 15,000
1" water service	21	EA	\$ 1,750	\$ 36,750
Connect to Existing	2	EA	\$ 1,750	\$ 3,500
Type II Gravel	1000	CY	\$ 30	\$ 30,000
Pipe Bedding	100	CY	\$ 27	\$ 2,700
Traffic Control	1	LS	\$ 10,000	\$ 10,000
Seeding	200	MSF	\$ 70	\$ 14,000
Construction Survey	1	LS	\$ 10,000	\$ 10,000
SWPP Plan	1	LS	\$ 5,000	\$ 5,000
Geotextile Fabric	1000	SY	\$ 8	\$ 8,000
Utility Relocation/protection	1	LS	\$ 15,000	\$ 15,000

\$ 430,850

Construction	\$ 430,850
Design (10%)	\$ 43,085
Inspection (4%)	\$ 17,234
City Administration (3%)	\$ 12,926
Contingency (5%)	\$ 21,543

Subtotal Project Cost \$ 525,637

Less: ADEC Principal Forgiveness \$ 225,690

Total Project Cost \$ 299,947

Property Owner Share \$ 224,960

City (HAWSP) Share \$ 74,987

BUNNELL/CHARLES WAY SAD SEWER IMPROVEMENT
11/15/2021

Construction Cost

	quantity	unit	unit price	cost
Mobilization	1	LS	\$ -	\$ -
Furnish & Install Flushing Valve	3	LF	\$ 4,000	\$ 12,000
Directional drill 2" HDPE (material separate)	1180	LF	\$ 55	\$ 64,900
Furnish & Install 2" HDPE SDR 11 Pipe	1180	LF	\$ 10	\$ 11,800
Sanitary Sewer Manhole	1	EA	\$ 15,000	\$ 15,000
Furnish & Install Pressure Sewer Service Stubout	17	EA	\$ 4,000	\$ 68,000
Furnish & Install E-One Lift Station to existing building	15	EA	\$ 12,000	\$ 180,000
Connect to Existing	1	EA	\$ 750	\$ 750
Traffic Control	0	LS	\$ -	\$ -
Construction Survey	0	LS	\$ -	\$ -
SWPP Plan	0	LS	\$ -	\$ -
Geotextile Fabric	0	SY	\$ 8	\$ -
Exist. Utility Protection	0	LS	\$ 4,500	\$ -

\$ 352,450

Construction	\$ 352,450
Design (8%)	\$ 28,196
Inspection (3%)	\$ 10,574
City Administration (5%)	\$ 9,379
Contengency (5%)	\$ 17,623

Total Project Cost	\$ 418,221
Property Owner Share	\$ 313,666
City (HAWSP) Share	\$ 104,555

Reduced area quantity	Reduced area unit	Reduced area cost
0	LS	\$ -
2	EA	\$ 8,000

550	LF	\$ 30,250
550	LF	\$ 5,500
1	EA	15,000
2	EA	\$ 8,000
1	EA	\$ 12,000
1	EA	\$ 750
0	EA	\$ -
0	EA	\$ -
0	EA	\$ -
0	SY	\$ -
0	LS	\$ -

\$ 79,500
\$ 6,360
\$ 2,385
\$ 3,975
\$ 3,975

\$ 96,195
\$ 72,146
\$ 24,049

Property Owner Share \$224,960
City (HAWSP) Share \$74,987

	Legal Description	KPB Parcel ID #	Owner	Frontage (ft)	Lot Area (SF)	Benefitted Area *	Estimated Assessment Based on Developable Area Method
3	WR Benson Subd Amended, Lot 154	17716418	Dam Revocable Trust	50	7500	7500	\$4,977
4	WR Benson Subd Amended, Lot 153	17716417	Guetschow	50	7500	7500	\$4,977
5	WR Benson Subd Amended, Lot 152	17716416	Logan	50	7500	7500	\$4,977
6	WR Benson Subd Amended, Lot 151	17716415	Long	50	7500	7500	\$4,977
7	WR Benson Subd Amended, Lot 150	17716414	Connolly	50	7500	7500	\$4,977
14	WR Benson Subd Amended, Lot 162	17716444	Lindsey/Savidge	50	7500	7500	\$4,977
15	WR Benson Subd, 2008 Replat, Lot 165-A	17716452	Johnson	100	15000	15000	\$9,955
16	WR Benson Subd Amended, Lot 167	17716439	Larson/Raupp	50	7500	7500	\$4,977
17	WR Benson Subd Amended, Lot 168	17716438	Baughter	50	7500	7500	\$4,977
18	WR Benson Subd Amended, Lot 169	17716437	Baughter	50	7500	7500	\$4,977
19	WR Benson Subd Amended, Lot 171	17716435	Vernon	50	7500	7500	\$4,977
20	WR Benson Subd Amended, Lot 172	17716434	Vernon	50	7500	7500	\$4,977
21	WR Benson Subd Amended, Lot 173	17716433	Logan IRA LLC	50	7500	7500	\$4,977
22	WR Benson Subd Amended, Lot 174	17716432	Logan IRA LLC	50	7500	7500	\$4,977
23	WR Benson Subd Amended, Lot 175	17716431	Hillstrand	50	7500	7500	\$4,977
24	WR Benson Subd Amended, Lot 176	17716430	Hillstrand	50	7500	7500	\$4,977
25	Bishop's Beach Park	17714010	City of Homer	494	150718	150718	\$100,025
26	Portion of Government Lot 2, T 6S R 13W S 20	17714009	Johnson	200	108464	40782	\$27,065
27	Portion of Government Lot 2, T 6S R 13W S 20	17714008	Vann Revocable Trust	400	54450	19970	\$13,253
				1944	441132	338970	\$224,960

* benefitted area is the usable front 200 feet of the lot.

20 yr financing, interest rate 2%,

Property Owner Share \$313,666
City (HAWSP) Share \$104,555

Legal Description	KPB Parcel ID #	Owner	Lot Area (SF)	Benefitted Area* (SF)	Estimated Assessment based on Benefitted Area
3	WR Benson Subd Amended, Lot 154	17716418	Dam Revocable Trust	7500	\$7,097
4	WR Benson Subd Amended, Lot 153	17716417	Guetschow	7500	\$7,097
5	WR Benson Subd Amended, Lot 152	17716416	Logan	7500	\$7,097
6	WR Benson Subd Amended, Lot 150	17716414	Connolly	7500	\$7,097
10	WR Benson Subd Amended, Lot 162	17716444	Lindsey/Savidge	7500	\$7,097
11	WR Benson Subd, 2008 Replat, Lot 165-A	17716452	Johnson	15000	\$14,194
12	WR Benson Subd Amended, Lot 167	17716439	Larson/Raupp	7500	\$7,097
13	WR Benson Subd Amended, Lot 168	17716438	Baughner	7500	\$7,097
14	WR Benson Subd Amended, Lot 169	17716437	Baughner	7500	\$7,097
15	WR Benson Subd Amended, Lot 171	17716435	Vernon	7500	\$7,097
16	WR Benson Subd Amended, Lot 172	17716434	Vernon	7500	\$7,097
17	WR Benson Subd Amended, Lot 173	17716433	Logan IRA LLC	7500	\$7,097
18	WR Benson Subd Amended, Lot 174	17716432	Logan IRA LLC	7500	\$7,097
19	WR Benson Subd Amended, Lot 175	17716431	Hillstrand	7500	\$7,097
20	WR Benson Subd Amended, Lot 176	17716430	Hillstrand	7500	\$7,097
21	Bishop's Beach Park	17714010	City of Homer	150718	\$142,622
22	Portion of Government Lot 2, T 6S R 13W S 20	17714009	Johnson	108464	\$38,591
23	Portion of Government Lot 2, T 6S R 13W S 20	17714008	Vann Revocable Trust	54450	\$18,897
433632 331470					\$313,666

* benefitted area is the front 200 feet of the lot.

AMENDED PRELIMINARY ASSESSMENT ROLL (Developable Area Method 01/11/22)

PROJECT NAME: **Bunnell Avenue/Charles Way Water & Sewer Improvement Special Assessment District** DATE: **June 3, 2021**

TOTAL ESTIMATED PROJECT WATER: ~~\$509,167~~ **\$473,787** **\$525,637** TOTAL ESTIMATED PROJECT SEWER: ~~\$631,834~~ **\$514,153** **\$418,221**
 Districts shall be assessed 75% property owner share of the project. Benefitted property owners will be required to pay that portion of the cost through the formation of a Special Assessment District:
 WATER: ~~\$212,608~~ **\$186,073** **\$224,960** SEWER: ~~\$473,875~~ **\$385,615** **\$313,666**
 HOMER ACCELERATED WATER AND SEWER PROGRAM (HAWSP) SHARE: WATER: ~~\$70,869~~ **\$62,024** **\$74,987** SEWER: ~~\$157,958~~ **\$128,538** **\$104,555**
 ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION PRINCIPAL FORGIVENESS GRANT: WATER PROJECTS ONLY: \$225,690

	PROPERTY OWNER NAME & ADDRESS	LEGAL DESCRIPTION & PARCEL NUMBER	ASSESSED PROPERTY VALUE	ASSESSED ESTIMATED PROPERTY OWNER SHARE OF ASSESSMENT ASSESSMENT METHOD
3	DAM REVOCABLE TRUST 2019 1477 BAY AVE HOMER AK 99603-7941	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 154 #17716418	\$52,600	Water \$7874 <u>\$4,359</u> <u>\$4,977</u> Sewer \$20603 <u>\$9,249</u> <u>\$7,097</u>
4	GUETSCHOW RUBEN PO BOX 1071 PAHOA HI 96778-1071	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 153 #17716417	\$47,900	Water \$7874 <u>\$4,359</u> <u>\$4,977</u> Sewer \$20603 <u>\$9,249</u> <u>\$7,097</u>
5	LOGAN CHRISTINA ARLYNE LOGAN CHRISTINA 2303 TULIK DR ANCHORAGE AK 99517-1132	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 152 #17716416	\$45,900	Water \$7874 <u>\$4,359</u> <u>\$4,977</u> Sewer \$20603 <u>\$9,249</u> <u>\$7,097</u>
6.	LONG CHRIS 879 LINDA CT HOMER, AK 99603-7222	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 151 #17716415	\$244,200	Water \$7874 <u>\$4,359</u> <u>\$4,977</u> (Property has sewer)
7	CONNOLLY NANCY C 303 TORQUAY CT UNIT B RIDGE NY 11961-8358	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 150 #17716414	\$49,600	Water \$7874 <u>\$4,359</u> <u>\$4,977</u> Sewer \$20603 <u>\$9,249</u> <u>\$7,097</u>
14	LINDSEY RONALD J SAVIDGE BARBARA A PO BOX 1867 HOMER AK 99603-1867	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 162 #17716444	\$85,900	Water \$7874 <u>\$4,359</u> <u>\$4,977</u> Sewer \$20603 <u>\$9,249</u> <u>\$7,097</u>

AMENDED PRELIMINARY ASSESSMENT ROLL (Developable Area Method 01/11/22)

PROJECT NAME: Bunnell Avenue/Charles Way Water & Sewer Improvement Special Assessment District DATE: June 3, 2021

TOTAL ESTIMATED PROJECT WATER: ~~\$509,167~~ ~~\$473,787~~ **\$525,637** TOTAL ESTIMATED PROJECT SEWER: ~~\$631,834~~ ~~\$514,153~~ **\$418,221**
 Districts shall be assessed 75% property owner share of the project. Benefitted property owners will be required to pay that portion of the cost through the formation of a Special Assessment District: WATER: ~~\$212,608~~ ~~\$186,073~~ **\$224,960** SEWER: ~~\$473,875~~ ~~\$385,615~~ **\$313,666**

HOMER ACCELERATED WATER AND SEWER PROGRAM (HAWSP) SHARE: WATER: ~~\$70,869~~ ~~\$62,024~~ **\$74,987** SEWER: ~~\$157,958~~ ~~\$128,538~~ **\$104,555**
 ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION PRINCIPAL FORGIVENESS GRANT: WATER PROJECTS ONLY: \$225,690

PROPERTY OWNER NAME & ADDRESS	LEGAL DESCRIPTION & PARCEL NUMBER	ASSESSED PROPERTY VALUE	ASSESSED ESTIMATED PROPERTY OWNER SHARE OF ASSESSMENT
15 JOHNSON PAUL MATTHEW 124 E 23 RD AVE ANCHORAGE, AK 99503-2010	T 6S R 13W SEC 20 Seward Meridian HM 2008066 W R BENSON'S SUB 2008 REPLAT LOT 165-A #17716452	\$186,200	Water \$7874 \$8,717 \$9,955 Sewer \$20603 \$18,498 \$14,194
16 LARSON BJORN & RAUPP SASHA H PO BOX 1435 HOMER AK 99603-1435	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 167 #17716439	\$51,500	Water \$7874 \$4,359 \$4,977 Sewer \$20603 \$9,249 \$7,097
17 BAUGHER TINA M 209 W DIMOND BLVD STE 4 ANCHORAGE AK 99515-1932	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 168 #17716438	\$50,700	Water \$7874 \$4,359 \$4,977 Sewer \$20603 \$9,249 \$7,097
18	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 169 #17716437	\$43,300	Water \$7874 \$4,359 \$4,977 Sewer \$20603 \$9,249 \$7,097
19 VERNON ROBERT GORDON PO BOX 3 HOMER AK 99603-0003	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 171 #17716435	\$157,400	Water \$7874 \$4,359 \$4,977 Sewer \$20603 \$9,249 \$7,097
20	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 172 #17716434	\$41,300	Water \$7874 \$4,359 \$4,977 Sewer \$20603 \$9,249 \$7,097
21 LOGAN IRA LLC 2303 TULIK DR ANCHORAGE AK 99517-1132	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 173 #17716433	\$175,200	Water \$7874 \$4,359 \$4,977 Sewer \$20603 \$9,249 \$7,097
22	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 174 #17716432	\$58,100	Water \$7874 \$4,359 \$4,977 Sewer \$20603 \$9,249 \$7,097

AMENDED PRELIMINARY ASSESSMENT ROLL (Developable Area Method 01/11/22)

PROJECT NAME: **Bunnell Avenue/Charles Way Water & Sewer Improvement Special Assessment District** DATE: **June 3, 2021**

TOTAL ESTIMATED PROJECT WATER: ~~\$509,167~~ **\$473,787** **\$525,637** TOTAL ESTIMATED PROJECT SEWER: ~~\$631,834~~ **\$514,153** **\$418,221**
 Districts shall be assessed 75% property owner share of the project. Benefitted property owners will be required to pay that portion of the cost through the formation of a Special Assessment District:
 WATER: ~~\$212,608~~ **\$186,073** **\$224,960** SEWER: ~~\$473,875~~ **\$385,615** **\$313,666**
 HOMER ACCELERATED WATER AND SEWER PROGRAM (HAWSP) SHARE: WATER: ~~\$70,869~~ **\$62,024** **\$74,987** SEWER: ~~\$157,958~~ **\$128,538** **\$104,555**
 ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION PRINCIPAL FORGIVENESS GRANT: WATER PROJECTS ONLY: \$225,690

	PROPERTY OWNER NAME & ADDRESS	LEGAL DESCRIPTION & PARCEL NUMBER	ASSESSED PROPERTY VALUE	ASSESSED ESTIMATED PROPERTY OWNER SHARE OF ASSESSMENT ASSESSMENT METHOD
23	HILLSTRAND NANCY PO BOX 7 HOMER AK 99603-0007	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 175 #17716231	\$102,100	Water \$7874 <u>\$4,359</u> <u>\$4,977</u> Sewer \$20603 <u>\$9,249</u> <u>\$7,097</u>
24		T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 176 #17716430	\$36,000	Water \$7874 <u>\$4,359</u> <u>\$4,977</u> Sewer \$20603 <u>\$9,249</u> <u>\$7,097</u>
25	HOMER CITY OF 491 E PIONEER AVE HOMER AK 99603-7624	T 6S R 13W SEC 20 Seward Meridian HM PTN GL 2 BEGIN S 1/16 CORNER SECS 19 & 20 & NW CORNER LOT 2 TH S 89 DEG 57'30" E 600 FT ALONG N BOUND LT 2 TO POB TH S 0 D EG 2' E 391 FT TO CORNER 2 ON MHW KACHEMAK BAY TH S 59 DEG 30' E 150 FT TO CORNER 3 TH N 38 DEG 0' E 592.6 FT TO CORNER 4 TH N 89 DEG 57'37" W ALONG N BOUNDRY O F GL 2 494.3 FT TO POB SAVE & EXC THAT PTN DESCRIBED IN W/D 88 @ 820 #17714010	\$593,900	Water \$7874 <u>\$23,700</u> <u>\$100,025</u> Sewer \$20603 <u>\$102,613</u> <u>\$142,622</u>
26	JOHNSON PAUL MATTHEW 124 E 23RD AVE ANCHORAGE, AK 99503-2010	T 6S R 13W SEC 20 Seward Meridian HM PTN GL 2 BEGIN 400 FT E OF 1/16 CRNR COMMO N TO SEC 19 & 20 TH E 200 FT ALONG N BOUND OF GL 2 TH S TO BEACH LINE TH W 200 F T TH 339 FT N TO POB #17714009	\$4,300	Water \$7874 <u>\$23,700</u> <u>\$27,065</u> Sewer \$20603 <u>\$50,293</u> <u>\$38,591</u>
27	VANN REVOCABLE TRUST PO BOX 561 KASIOLOF AK 99610-0561	T 6S R 13W SEC 20 Seward Meridian HM PTN GL 2 BEGIN INTERSECTION OF N BOUNDARY LT 2 & RR ROW TH E TO PT 400 FT FROM 1/16 CRNR TH S TO BEACH TH NW 100 FT TH N T O NORTH SIDE OF OLD RR ROW TH NW TO POB #17714008	\$248,000	Water \$7874 <u>\$39,924</u> <u>\$13,253</u> Sewer \$20603 <u>\$84,722</u> <u>\$18,897</u>

City Clerk

WHEREAS, Following the public hearing at the August 9, 2021 regular City Council meeting Council postponed action on Resolution 21-057 to provide the Public Works Director the opportunity to consider amending the boundaries and assessment methodology, and consider existing service through spaghetti for some properties; and

WHEREAS, Action on this matter was further postponed to provide written public notice on different iterations of assessment methodologies for property owner consideration; and

WHEREAS, On February 10, 2022 the City Clerk's Office mailed notice to property owners in the Bunnell Avenue/Charles Way SAD of a proposed hybrid method of assessment, an informational memorandum from the Public Works Director, preliminary assessment roll, and a statement of objection to special assessment district with a deadline of 5:00 p.m. March 14, 2022 to object; and

WHEREAS, One objection was received; and

WHEREAS, Resolution 21-057(S-2) proposing a benefitted method of assessment was voted down on March 14, 2022 to take up this resolution recommending the hybrid method of assessment.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska acknowledges the sufficiency of the Bunnell Avenue/Charles Way SAD and the petition bears sufficient support that the improvements are necessary and benefit the properties included in attachment A.

BE IT FURTHER RESOLVED that the City Council hereby approves the improvement plan, estimated costs of improvement as follows:

- The estimated cost of the sewer improvements is \$418,221 with property owners paying 75% (\$313,666) and the Homer Accelerated Water and Sewer Program (HAWSP) paying 25% (\$104,555) of the costs; and
- The estimated cost of the water improvements, including the \$225,690 Principal Forgiveness Subsidy, is \$299,947, with property owners paying 75% (\$224,960) and the Homer Accelerated Water and Sewer Program (HAWSP) paying 25% (\$74,987) of the costs.

BE IT FURTHER RESOLVED the assessment method will be a hybrid method based on the following findings of the Public Work Director:

Finding #1 – The Hybrid Method results in the fairest distribution of costs among the private property owners. We did some sensitivity analysis to find the fairest distribution of costs. We computed what the assessments would be using Equal Share Method and the Benefitted Area Method, limiting the application of the Benefitted Area Method to the Developable Area, as provided in HCC 17.01.010. Then, we created a Proposed Assessment Roll, which applies the lesser computation for a particular property. For

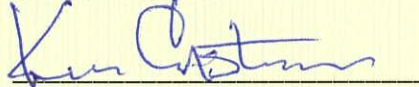
the smaller lots, the lesser computation is the Benefitted Area Method. For the larger lots, the lesser computation is the Equal Share Method. The Benefitted Area Method penalizes the larger lots who will receive no greater benefit for their higher assessment.

Finding #2 – The Hybrid Method does not unreasonably penalize the City as the owner of Bishop’s Beach Park. The Hybrid Method results in a proposed assessment for the City, which is about 15% higher than what it would be under the Benefitted Area Method. This is appropriate as this park, one of Homer’s most popular, provides community-wide benefit.

BE IT FURTHER RESOLVED that this supersedes Resolution 22-017(A).

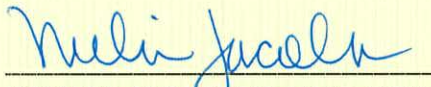
PASSED AND ADOPTED by the Homer City Council this 29th day of March, 2022.

CITY OF HOMER



KEN CASTNER, MAYOR

ATTEST:



MELISSA JACOBSEN, MMC, CITY CLERK

Fiscal Note: HAWSP \$104,555–Sewer and \$74,987- Water



AMENDED PRELIMINARY ASSESSMENT ROLL (Hybrid Method 02/10/22) Attachment A to Resolution 22-023

PROJECT NAME: Bunnell Avenue/Charles Way Water & Sewer Improvement Special Assessment District DATE: June 3, 2021

TOTAL ESTIMATED PROJECT WATER: ~~\$509,167~~ ~~\$473,787~~ **\$525,637** TOTAL ESTIMATED PROJECT SEWER: ~~\$631,834~~ ~~\$514,153~~ **\$418,221**
 Districts shall be assessed 75% property owner share of the project. Benefitted property owners will be required to pay that portion of the cost through the formation of a Special Assessment District:
 WATER: ~~\$212,608~~ ~~\$186,073~~ **\$224,960** SEWER: ~~\$473,875~~ ~~\$385,615~~ **\$313,666**
 HOMER ACCELERATED WATER AND SEWER PROGRAM (HAWSP) SHARE: WATER: ~~\$70,869~~ ~~\$62,024~~ **\$74,987** SEWER: ~~\$157,958~~ ~~\$128,538~~ **\$104,555**
 ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION PRINCIPAL FORGIVENESS GRANT: WATER PROJECTS ONLY: \$225,690

	PROPERTY OWNER NAME & ADDRESS	LEGAL DESCRIPTION & PARCEL NUMBER	ASSESSED PROPERTY VALUE	ASSESSED ESTIMATED PROPERTY OWNER SHARE OF ASSESSMENT ASSESSMENT METHOD
3	DAM REVOCABLE TRUST 2019 1477 BAY AVE HOMER AK 99603-7941	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 154 #17716418	\$52,600	Water \$7874 \$4,359 \$4,977 Sewer \$20603 \$9,249 \$7,097
4	GUETSCHOW RUBEN PO BOX 1071 PAHOA HI 96778-1071	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 153 #17716417	\$47,900	Water \$7874 \$4,359 \$4,977 Sewer \$20603 \$9,249 \$7,097
5	LOGAN CHRISTINA ARLYNE LOGAN CHRISTINA 2303 TULIK DR ANCHORAGE AK 99517-1132	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 152 #17716416	\$45,900	Water \$7874 \$4,359 \$4,977 Sewer \$20603 \$9,249 \$7,097
6.	LONG CHRIS 879 LINDA CT HOMER, AK 99603-7222	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 151 #17716415	\$244,200	Water \$7874 \$4,359 \$4,977 (Property has sewer)
7	CONNOLLY NANCY C 303 TORQUAY CT UNIT B RIDGE NY 11961-8358	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 150 #17716414	\$49,600	Water \$7874 \$4,359 \$4,977 Sewer \$20603 \$9,249 \$7,097
14	LINDSEY RONALD J SAVIDGE BARBARA A PO BOX 1867 HOMER AK 99603-1867	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 162 #17716444	\$85,900	Water \$7874 \$4,359 \$4,977 Sewer \$20603 \$9,249 \$7,097

AMENDED PRELIMINARY ASSESSMENT ROLL (Hybrid Method 02/10/22) Attachment A to Resolution 22-023

PROJECT NAME: **Bunnell Avenue/Charles Way Water & Sewer Improvement Special Assessment District** DATE: **June 3, 2021**

TOTAL ESTIMATED PROJECT WATER: ~~\$509,167~~ ~~\$473,787~~ **\$525,637** TOTAL ESTIMATED PROJECT SEWER: ~~\$631,834~~ ~~\$514,153~~ **\$418,221**
 Districts shall be assessed 75% property owner share of the project. Benefitted property owners will be required to pay that portion of the cost through the
 formation of a Special Assessment District: WATER: ~~\$212,608~~ ~~\$186,073~~ **\$224,960** SEWER: ~~\$473,875~~ ~~\$385,615~~ **\$313,666**
 HOMER ACCELERATED WATER AND SEWER PROGRAM (HAWSP) SHARE: WATER: ~~\$70,869~~ ~~\$62,024~~ **\$74,987** SEWER: ~~\$157,958~~ ~~\$128,538~~ **\$104,555**
 ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION PRINCIPAL FORGIVENESS GRANT: WATER PROJECTS ONLY: \$225,690

	PROPERTY OWNER NAME & ADDRESS	LEGAL DESCRIPTION & PARCEL NUMBER	ASSESSED PROPERTY VALUE	ASSESSED ESTIMATED PROPERTY OWNER SHARE OF ASSESSMENT ASSESSMENT METHOD
15	JOHNSON PAUL MATTHEW 124 E 23 RD AVE ANCHORAGE, AK 99503-2010 PEREIRA, KATHRIN 3476 S. HORSESHOE LAKE RD WASILLA, AK 99623	T 6S R 13W SEC 20 Seward Meridian HM 2008066 W R BENSON'S SUB 2008 REPLAT LOT 165-A #17716452	\$186,200	Water \$7874 \$8,717 <u>\$9,955</u> Sewer \$20603 \$18,498 <u>\$14,194</u>
16	LARSON BJORN & RAUPP SASHA H PO BOX 1435 HOMER AK 99603-1435	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 167 #17716439	\$51,500	Water \$7874 \$4,359 <u>\$4,977</u> Sewer \$20603 \$9,249 <u>\$7,097</u>
17	BAUGHER TINA M 209 W DIMOND BLVD STE 4 ANCHORAGE AK 99515-1932	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 168 #17716438	\$50,700	Water \$7874 \$4,359 <u>\$4,977</u> Sewer \$20603 \$9,249 <u>\$7,097</u>
18		T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 169 #17716437	\$43,300	Water \$7874 \$4,359 <u>\$4,977</u> Sewer \$20603 \$9,249 <u>\$7,097</u>
19	VERNON ROBERT GORDON PO BOX 3 HOMER AK 99603-0003	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 171 #17716435	\$157,400	Water \$7874 \$4,359 <u>\$4,977</u> Sewer \$20603 \$9,249 <u>\$7,097</u>
20		T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 172 #17716434	\$41,300	Water \$7874 \$4,359 <u>\$4,977</u> Sewer \$20603 \$9,249 <u>\$7,097</u>

AMENDED PRELIMINARY ASSESSMENT ROLL (Hybrid Method 02/10/22) Attachment A to Resolution 22-023

PROJECT NAME: **Bunnell Avenue/Charles Way Water & Sewer Improvement Special Assessment District** DATE: **June 3, 2021**

TOTAL ESTIMATED PROJECT WATER: ~~\$509,167~~ ~~\$473,787~~ **\$525,637** TOTAL ESTIMATED PROJECT SEWER: ~~\$631,834~~ ~~\$514,153~~ **\$418,221**
 Districts shall be assessed 75% property owner share of the project. Benefitted property owners will be required to pay that portion of the cost through the formation of a Special Assessment District:
 WATER: ~~\$212,608~~ ~~\$186,073~~ **\$224,960** SEWER: ~~\$473,875~~ ~~\$385,615~~ **\$313,666**
 HOMER ACCELERATED WATER AND SEWER PROGRAM (HAWSP) SHARE: WATER: ~~\$70,869~~ ~~\$62,024~~ **\$74,987** SEWER: ~~\$157,958~~ ~~\$128,538~~ **\$104,555**
 ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION PRINCIPAL FORGIVENESS GRANT: WATER PROJECTS ONLY: \$225,690

	PROPERTY OWNER NAME & ADDRESS	LEGAL DESCRIPTION & PARCEL NUMBER	ASSESSED PROPERTY VALUE	ASSESSED ESTIMATED PROPERTY OWNER SHARE OF ASSESSMENT ASSESSMENT METHOD
21	LOGAN IRA LLC 2303 TULIK DR ANCHORAGE AK 99517-1132	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 173 #17716433	\$175,200	Water \$7874 \$4,359 <u>\$4,977</u> Sewer \$20603 \$9,249 <u>\$7,097</u>
22		T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 174 #17716432	\$58,100	Water \$7874 \$4,359 <u>\$4,977</u> Sewer \$20603 \$9,249 <u>\$7,097</u>
23	HILLSTRAND NANCY PO BOX 7 HOMER AK 99603-0007	T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 175 #17716231	\$102,100	Water \$7874 \$4,359 <u>\$4,977</u> Sewer \$20603 \$9,249 <u>\$7,097</u>
24		T 6S R 13W SEC 20 Seward Meridian HM 0670365 W R BENSON SUB AMENDED LOT 176 #17716430	\$36,000	Water \$7874 \$4,359 <u>\$4,977</u> Sewer \$20603 \$9,249 <u>\$7,097</u>
25	HOMER CITY OF 491 E PIONEER AVE HOMER AK 99603-7624	T 6S R 13W SEC 20 Seward Meridian HM PTN GL 2 BEGIN S 1/16 CORNER SECS 19 & 20 & NW CORNER LOT 2 TH S 89 DEG 57'30" E 600 FT ALONG N BOUND LT 2 TO POB TH S 0 D EG 2' E 391 FT TO CORNER 2 ON MHW KACHEMAK BAY TH S 59 DEG 30' E 150 FT TO CORNE R 3 TH N 38 DEG 0' E 592.6 FT TO CORNER 4 TH N 89 DEG 57'37" W ALONG N BOUNDRY O F GL 2 494.3 FT TO POB SAVE & EXC THAT PTN DESCRIBED IN W/D 88 @ 820 #17714010	\$593,900	Water \$7874 \$23,700 \$100,025 <u>\$116,670</u> Sewer \$20603 \$102,613 \$142,622 <u>\$165,260</u>
26	JOHNSON PAUL MATTHEW 124 E 23RD AVE ANCHORAGE, AK 99503-2010	T 6S R 13W SEC 20 Seward Meridian HM PTN GL 2 BEGIN 400 FT E OF 1/16 CRNR COMMO N TO SEC 19 & 20 TH E 200 FT ALONG N BOUND OF GL 2 TH S TO BEACH LINE TH W 200 F T TH 339 FT N TO POB #17714009	\$4,300	Water \$7874 \$23,700 \$27,065 <u>\$11,840</u> Sewer \$20603 \$50,293 \$38,591 <u>\$17,426</u>

AMENDED PRELIMINARY ASSESSMENT ROLL (Hybrid Method 02/10/22) Attachment A to Resolution 22-023

PROJECT NAME: **Bunnell Avenue/Charles Way Water & Sewer Improvement Special Assessment District** DATE: **June 3, 2021**

TOTAL ESTIMATED PROJECT WATER: ~~\$509,167~~ ~~\$473,787~~ **\$525,637** TOTAL ESTIMATED PROJECT SEWER: ~~\$631,834~~ ~~\$514,153~~ **\$418,221**

Districts shall be assessed 75% property owner share of the project. Benefitted property owners will be required to pay that portion of the cost through the formation of a Special Assessment District:

WATER: ~~\$212,608~~ ~~\$186,073~~ **\$224,960** SEWER: ~~\$473,875~~ ~~\$385,615~~ **\$313,666**

HOMER ACCELERATED WATER AND SEWER PROGRAM (HAWSP) SHARE: WATER: ~~\$70,869~~ ~~\$62,024~~ **\$74,987** SEWER: ~~\$157,958~~ ~~\$128,538~~ **\$104,555**

ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION PRINCIPAL FORGIVENESS GRANT: WATER PROJECTS ONLY: \$225,690

	PROPERTY OWNER NAME & ADDRESS	LEGAL DESCRIPTION & PARCEL NUMBER	ASSESSED PROPERTY VALUE	ASSESSED ESTIMATED PROPERTY OWNER SHARE OF ASSESSMENT ASSESSMENT METHOD
	PEREIRA, KATRHIN 3476 S. HORSESHOE LAKE RD WASILLA, AK 99623			
27	VANN REVOCABLE TRUST PO BOX 561 KASLOF AK 99610-0561	T 6S R 13W SEC 20 Seward Meridian HM PTN GL 2 BEGIN INTERSECTION OF N BOUNDARY LT 2 & RR ROW TH E TO PT 400 FT FROM 1/16 CRNR TH S TO BEACH TH NW 100 FT TH N T O NORTH SIDE OF OLD RR ROW TH NW TO POB #17714008	\$248,000	Water \$7874 -\$39,924 \$13,253 <u>\$11,840</u> Sewer \$20603 \$84,722 \$18,897 <u>\$17,426</u>