

1 CITY OF HOMER
2 HOMER, ALASKA

3 City Clerk

4 ORDINANCE 22-11(S)(A)
5

6 AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA
7 AMENDING HOMER CITY CODE TITLE 17 PUBLIC ASSESSMENTS
8 UNDER CHAPTER 17.01 GENERAL PROVISIONS AND CHAPTER
9 17.02 SPECIAL ASSESSMENT DISTRICTS.

10
11 WHEREAS, Alaska Statutes 29.46 Special Assessments provides for municipalities to
12 prescribe procedures relating to creating special assessment districts, making local
13 improvements, levying and collecting assessments, and financing improvements; and

14
15 **WHEREAS, Homer City Code, Title 17, sets forth terms and conditions relating to**
16 **creating special assessment districts, levying and collecting assessments, and financing**
17 **improvements; and**

18
19 ~~WHEREAS, There are currently three methodologies for allocating costs to property~~
20 ~~owners that have been adopted by ordinance and are defined in HCC 17.01, General Provisions,~~
21 ~~they are the benefited area method, equal area method, and the front foot method; and~~

22
23 **WHEREAS, Homer City Code, Title 17, Chapter 01.010, includes three**
24 **methodologies for allocating costs between lots in a special assessment district: (i)**
25 **Benefited area method, (ii) Equal area method, and (iii) Front footage method; and**

26
27 ~~WHEREAS, Homer City Code provides for the Public Works Director to have discretion~~
28 ~~on specifying the assessment methodology when developing the improvement plan; and~~

29
30 ~~WHEREAS, The Public Works Director has determined there are situations where~~
31 ~~combining assessment methodologies in improvement districts creates a fair distribution of~~
32 ~~costs; and~~

33
34 ~~WHEREAS, Adding a "Hybrid" Method that provides for the ability to use a combination~~
35 ~~of approved methodologies will provide that flexibility for the Public Works Director.~~

36
37 **WHEREAS, It has been determined that a fourth method of allocating costs**
38 **between lots in a special assessment district would, in certain circumstances, allow**
39 **assessments to be fairly based on usage, benefit and other reasonable criteria; and**

40
41 **WHEREAS, This fourth special assessment methodology would use a combinations**
42 **of two or more existing assessment methodologies provided for in Homer City Code, Title**
43 **17, and be referred to as the "Hybrid method;" and**

44
45 **WHEREAS, It is determined to be in the best interest of the City of Homer to allow**
46 **for the use of the Hybrid method, as appropriate, subject in all respects to Homer City**
47 **Code.**

48
49 NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

50
51 Section 1. Homer City Code Chapter 17.01 General Provisions, Section 17.01.010
52 Definitions is hereby amended as follows:

53
54 17.01.010 Definitions.

55
56 For the purposes of this title, the following words and phrases shall have the meanings set
57 forth below:

58
59 “Benefited area method” means a method of assessment that determines each parcel’s share
60 of the assessment by dividing the total cost of the improvements on which the assessment is
61 based by the total square footage of land benefited by the improvement and then allocating
62 a portion of the cost of the assessment to each parcel based upon the square footage of the
63 land benefited by the improvement. The square footage included in the calculation shall
64 exclude undevelopable land. For a lot 50 percent larger than the average lot in the district,
65 the Public Works Director may determine that benefited area only includes the first 200 feet
66 of the lot so long as Council approves that determination.

67
68 “Cost” means all expenses incurred by the City for an improvement, including, but not limited
69 to, advertising expenses, fees of engineers, architects and surveyors, legal fees, costs of
70 property acquisition, payments to construction contractors, costs of interim and long-term
71 financing of the improvement, including costs of issuing bonds and notes, and City
72 administrative costs.

73
74 “Developable land” means land that, in the discretion of the Public Works Director, can be
75 reasonably developed for uses permitted within the property’s zoning district.

76
77 “District” means a special assessment district created under this chapter unless otherwise
78 specified.

79
80 “Equal area method” means an assessment method allocating costs equally to each lot in a
81 district.

82
83 “Front footage method” means an assessment method allocating costs between lots in a
84 district based on the linear feet fronting the improvement for which the district was created.
85 Under this method, and except as provided in this definition, lots fronting the improvement
86 on more than one side and only accessing the improvement from one side will only be

87 assessed for linear feet on one side. Lots fronting the improvement on more than one side
88 and accessing the improvement from more than one side will be assessed for linear feet on
89 all sides accessing the improvement.

90

91 **“Hybrid method” means an assessment method allocating costs between lots in a**
92 **district using a combination of methods defined in this section Chapter.**

93

94 “Improvement” means a capital improvement, including without limitation streets,
95 sidewalks, alleys and bridges; street lighting; drainage and flood control facilities; sanitary
96 sewage collection and treatment facilities; water supply and distribution facilities; natural
97 gas distribution facilities; and parks, playgrounds, public squares and open space.

98

99 “Public Works Director” means the Public Works Director or his or her designee. If the Public
100 Works Director position is not filled or is temporarily empty, the City Manager or his or her
101 designee will serve as the Public Works Director for purposes of this title.

102

103 “Record owner” means the person in whose name real property is listed on the property tax
104 roll prepared by the Kenai Peninsula Borough.

105

106 “Special assessment application fee” means the fee charged for the processing of the special
107 assessment district application. The fee is approved annually by Council in the resolution
108 adopting the City fee schedule.

109

110 “Undevelopable land” means land that cannot be practicably developed due to natural
111 characteristics, which may include, but are not limited to, steep grade, ravines, and wetlands.
112 [Ord. 19-23(S-2)(A) § 5, 2019].

113

114 17.01.020 Purpose.

115 The purpose of this title is to identify the assessments the City may charge for acquiring,
116 installing or constructing capital improvements and utility systems that benefit real property
117 within City boundaries. [Ord. 19-23(S-2)(A) § 5, 2019].

118

119 17.01.030 Assessment authority.

120 The City may assess all or part of the cost of a capital improvement against real property
121 benefited by the improvement, whether the property is privately or governmentally owned,
122 including real property that is exempt from taxation. [Ord. 19-23(S-2)(A) § 5, 2019].

123

124 Section 2. Homer City Code Chapter 17.02 Special Assessment Districts section

125 17.02.040 Initiation of special assessment district is hereby amended as follows:

126

127 17.02.040 Initiation of special assessment district.

128

129 a. A special assessment district may be initiated by:

130
131 1. A resolution, initiated by a Council member, the City Manager, or through the developer
132 reimbursement application process set forth in this title and approved by a vote of not
133 less than three-fourths of Council; or

134
135 2. A petition signed by 50 percent of the total record owners who receive notice from the
136 City Clerk's office that they will be assessed a portion of the costs of a single capital
137 improvement.

138
139 b. A benefitted property owner proposing a special assessment district by petition must file a
140 complete special assessment petition application with the City Clerk. Special assessment
141 petition applications are available at the City Clerk's office.

142
143 Upon receipt of a completed application and special assessment district filing fee, the City
144 Clerk shall within 10 days:

145
146 1. Submit the application to the Public Works Director and Finance Director for review;
147 and

148
149 2. Notify the applicant in writing that the application is either sufficient or insufficient and
150 identify the insufficiencies.

151
152 Upon approval of an application, the Clerk shall then prepare the petition and distribute it by
153 certified mail to all record owners of property in the proposed district no more than 30 days
154 after the petition application is approved. Petition signatures of the record owners of real
155 property in the district to be benefitted must be received by the City Clerk within 60 days after
156 the mailing of the petition.

157
158 c. Upon adoption of a resolution initiating a special assessment district, or the filing of a
159 sufficient petition with the Clerk, the City Clerk shall:

160
161 1. Schedule a meeting of record owners of real property in the proposed district, notify
162 the record owners by mail of the date, time and location of the meeting, and include a
163 copy of the notice in the City's regular meeting advertisement;

164
165 2. Refer the proposed district to the Public Works Director, who shall prepare an
166 improvement plan for the proposed district, to be provided at the neighborhood meeting.
167 The proposed district improvement plan shall include:

168
169 a. The boundaries of the proposed district;

170
171 b. The design of the proposed improvement;

172

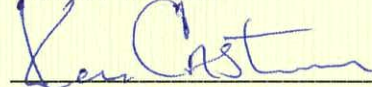
- 173 c. A cost estimate for the improvement;
174
175 d. The assessment allocation method used to calculate the amount owed by each
176 record owner in the proposed district **as well as the Public Works Director's**
177 **Findings that explain why the recommended assessment allocation method will**
178 **create the fairest distribution of costs;**
179
180 e. The percentage of the improvement cost to be assessed against properties in the
181 district;
182
183 f. The time period over which assessments will be financed; and
184
185 g. Preliminary assessment roll for the proposed district.

186
187 3. The Public Works Director shall use the equal area method in calculating the
188 assessment amount unless another method, **as defined in HCC 17.01.010,** is specified in
189 the improvement plan.

190 Section 3. This Ordinance is of a permanent and general character and shall be included in
191 the City Code.

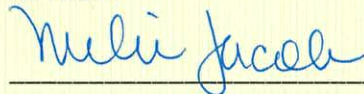
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193 ENACTED BY THE CITY COUNCIL OF HOMER, ALASKA, this 28th day of February, 2022.
194

195 CITY OF HOMER

196 

197
198 KEN CASTNER, MAYOR

199 ATTEST:

200 

201
202 MELISSA JACOBSEN, MMC, CITY CLERK

203
204 YES: 6

205 NO: 0

206 ABSTAIN: 0

207 ABSENT: 0

208
209 First Reading: 2-14-22

210 Public Hearing: 2-14-22

211 Second Reading: 2-28-22

212 Effective Date: 3-1-22

