

SUBJECT: Administrative report relating to the creation of and improvement to North Preston Avenue & West Sunflower Drive Road Paving Local Improvement District No. 614; and consideration of said creation.

AGENDA OF: June 15, 2021

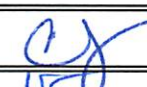

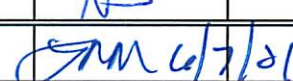
ASSEMBLY ACTION:

Defeated Unanimously 7-20-21


MANAGER RECOMMENDATION: Introduce and set for public hearing on July 20, 2021.

APPROVED BY MICHAEL BROWN, BOROUGH MANAGER:



Route To:	Department/Individual	Initials	Remarks
	Originator	MVE	5-28-2021
	Finance Director		
	Borough Attorney		
	Borough Clerk	 6/7/21	KBJ

ATTACHMENT (S) : Fiscal Note: YES _____ NO X
Ordinance Serial No. 21-054 (5 pp)
Exhibit A (1 p)
Map (1 p)
Ballot Tally (1 p)

SUMMARY STATEMENT:

A petition has been filed by the record owners of 73 percent in value of the property and signatures of 70 percent of property owners within the proposed North Preston Avenue & West Sunflower Drive Road Paving Local Improvement District. The petition has been certified by the borough clerk. The proposed North Preston Avenue & West Sunflower Drive Road Paving Local Improvement District is located in Assembly District #6.

As addressed in Section 7 of the manager's administrative report, (listed below) there are 0 properties that do not conform to MSB 3.28.080(B).

If monies are appropriated in the Fiscal Year 2023 budget for the road program, this LID, if approved, would qualify for up to 50 percent matching funds.

MANAGER'S ADMINISTRATIVE REPORT

(MSB 3.28.040)

1. Description of properties to be benefited by the improvement:
SEE ORDINANCE SERIAL NO. 21-054
2. Evaluation of need and benefit of improvement and proposed allocation of special assessments:
Paving the surface of the roads, per the highlighted portion of the attached map, within the North Preston Avenue & West Sunflower Drive road paving local improvement district will improve the road conditions and make maintenance of the road easier. Properties, including vacant properties, being benefited by paving the surface of the road have a tendency to sell more rapidly when placed on the market than similar properties. It is believed that the benefits will accrue about equally to each property in the local improvement district. Therefore, it is proposed that the entire cost of the improvement to be allocated equally to each property within the district, without regard to the front footage, the size of the property, the value of the property or other measures.
3. Estimated total cost of improvement:
The estimated cost by the public works department for the paving is \$136,827.00 if done during the 2022 construction season. It is estimated that administrative costs will amount to approximately \$5,400.00 and the delinquency reserve will be \$12,400.00. The estimated total cost of the improvement as of this date is \$154,627.00. It is recommended that the project be financed by a revolving loan from the local improvement district internal service fund, which will be reimbursed from the special assessments on the properties to be benefited. It is anticipated that interest on the loan will be recovered through the interest that will be paid on special assessment installments.
4. Current mill rate: The Fiscal Year 2022 mill rate for the improvement district is 14.564 mills consisting of 9.942 mills (areawide) plus .432 mills (non-areawide) plus 2.20 mills (FSA#136) plus 1.99 mills (RSA#28).

Taxable Property Values for Real Property: \$5,800,800.00

5. Profile of proposed properties in local improvement district:

	Total Number of Lots:	<u>20</u>
Ownership type of properties:	Private:	<u>20</u>
	Bank:	<u>0</u>
	Public:	<u>0</u>
	MSB:	<u>0</u>
"Tax" status of properties:	Number Current:	<u>20</u>
	Number Delinquent:	<u>0</u>
	Number in Foreclosure:	<u>0</u>
	Number in Bankruptcy:	<u>0</u>
	Population Estimate:	<u>62</u>
	Estimated Area (Acres):	<u>28.25</u>

* This estimate is based on information collected during the 2010 census and current assessment records.

6. Other special assessments effecting this local improvement district: NONE.

7. Properties not conforming to MSB 3.28.080(B) "...An assessment may not exceed 25 percent of the assessed value for real property taxation of the property assessed": 0

8. Method of collecting assessments: Semi-annual due dates will be established, with billings sent to each property owner 30-45 days before each due date. Delinquent accounts will be acted upon in the same manner as delinquent tax accounts, including annual foreclosure action.

IMPROVEMENT PLAN (MSB 3.28.050B)

The improvement will be funded by a revolving loan from the local improvement district internal service fund. Only the proceeds of the special assessments and interest will be pledged as security for payment. The special assessments may be paid by the property owners in semi-annual installments over a ten-year period.

The estimated total cost is \$154,627.00. The estimated cost elements are paving \$136,827.00, delinquency reserve of \$12,400.00, and administrative costs of \$5,400.00.

The estimated total cost is to be equally assessed against the properties within the improvement district, including those properties not meeting to MSB 3.28.080(B) criteria.

The estimated special assessment against the 20 lots is \$7,731.35 per lot.

If the entire matching funds are approved, the estimated special assessment against the 20 lots with the matching funds would be \$3,978.68, which is comprised of up to 50% of the construction costs only (not including any upgrade, if necessary for the project, or administrative costs or reserves).

LEGAL DESCRIPTION FOR
North Preston Avenue & West Sunflower Drive LID#614

5903

Lots One (1) through Four (4), Block One (1), and Lots One (1) through Five (5), Block Two (2), STARI NITEZ EST, according to Recorded Plat #2006-108; and

6835

Lots Five (5) through Seven (7), Block One (1), and Lots Six (6) through Ten (10), Block Two (2), STARI NITEZ EST PH 2, according to Recorded Plat #2008-87; and

6918

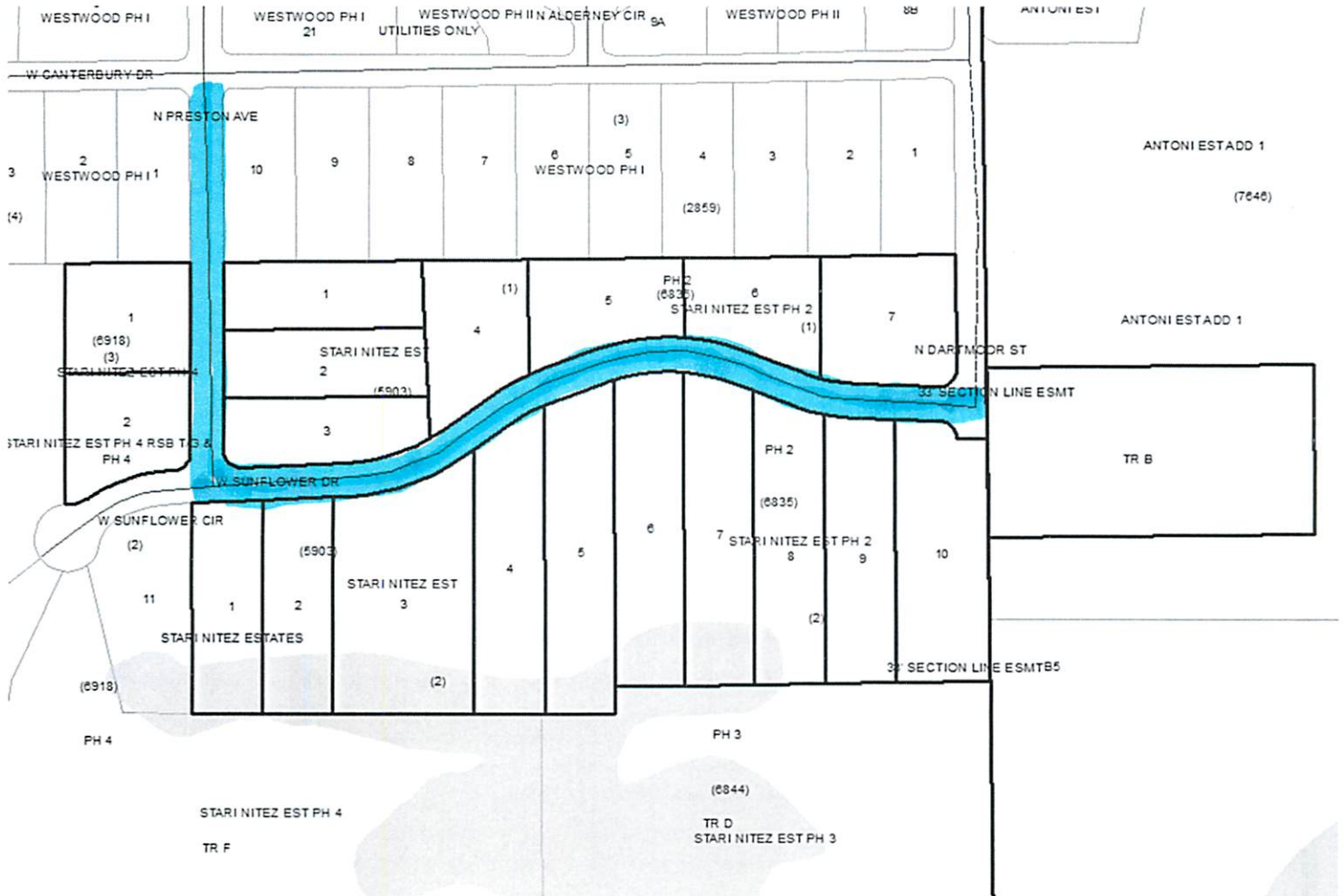
Lots One (1) and Two (2), Block Three (3), STARI NITEZ EST PH 4, according to Recorded Plat #2008-95; and

7646

Tract B, ANTONI EST ADD 1, according to Recorded Plat #2012-91.

THE ABOVE IS RECORDED IN THE PALMER RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA.

Map for LID 614 North Preston & West Sunflower



FAILED OR 21-054

BALLOT TALLY

LID NUMBER	614	
LOCAL IMPROVEMENT NAME	North Preston Avenue & West Sunflower Drive	
LID TYPE	ROAD PAVING	
LOAN AMOUNT	155,000.00	
CONSTRUCTION COSTS	136,827.00	
NUMBER OF LOTS	20	
PER LOT COST (FULL AMOUNT)	7,731.35	
PER LOT COST (50%)	3,978.68	
ESTIMATED SEMI-ANNUAL PAYMENT	386.57	
<hr/>		
NUMBER OF BALLOTS MAILED	<u>20</u>	
NUMBER AND PERCENTAGE OF BALLOTS RETURNED MARKED "YES"	<u>3</u>	<u>(15%)</u>
NUMBER OF BALLOTS RETURNED MARKED "NO"	<u>2</u>	(10%)
NUMBER OF BALLOTS RETURNED UNMARKED INCORRECT PAPERWORK AND/OR SIGNATURE OR NOT RETURNED	<u>15</u>	(75%)
TOTAL NUMBER AND PERCENTAGE OF BALLOTS MARKED "NO", UNMARKED OR NOT RETURNED	<u>17</u>	<u>(85%)</u>
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NUMBER OF BOROUGH OWNED LOTS	<u>0</u>	
NUMBER OF STATE OWNED LOTS	<u>0</u>	
NUMBER OF LOTS LESS THAN 4X1	<u>0</u>	
LETTERS NOT RECEIVED	<u>6</u>	(1 unclaimed)

COMMENTS:

As provided in MSB 3.28.062(B), the assembly may not proceed with the improvement unless ballots approving the local improvement district are timely filed by owners of property bearing more than 70 percent of the estimated cost of the improvement.

Administration recommends denial of Ordinance Serial No. 21-054.

Im 21-104