

**KENAI PENINSULA BOROUGH ROAD SERVICE AREA
RESOLUTION 2010-11**

**A RESOLUTION APPROVING POPPY RIDGE ROAD RIAD
MATCH PER KPB 14.31.055**

WHEREAS, the road service area (“RSA”) board authorized funding to obtain an engineer’s estimate for the Poppy Ridge Road Improvement Assessment District (“RIAD”) at its June 23, 2009 meeting; and

WHEREAS, the engineer’s estimate of \$335,500 for the Poppy Ridge Road RIAD was presented to the board at its January 12, 2010 meeting, and

WHEREAS, the RSA board received and reviewed Poppy Ridge Road RIAD first petition at its January 12, 2010 meeting; and

WHEREAS, the RSA board received and reviewed Poppy Ridge Road RIAD second petition at its August 10, 2010 meeting; and

WHEREAS, KPB 14.31.055 authorizes up to a 50 percent match for the cost of an internal subdivision RIAD project be provided by the RSA; and

WHEREAS, the petitioners for Poppy Ridge Road RIAD made a timely application to participate in the match program.

NOW, THEREFORE, BE IT RESOLVED BY THE KENAI PENINSULA BOROUGH ROAD SERVICE AREA BOARD:

SECTION 1. The board recommends the formation of Poppy Ridge Road RIAD as set forth in the attached petition.

SECTION 2. The board approves an expenditure of up to \$174,128.50 from the RIAD Match Fund for the Poppy Ridge Road RIAD. This RIAD includes 2,700 linear feet of Poppy Ridge Road and 830 linear feet Franke Road, internal subdivision roads, for a total linear footage of 3,530.

SECTION 3. The board makes the following findings required by KPB 14.31.055:

1. Standard: For purposes of the pavement match program, whether the road is certified for borough maintenance.
Finding: Poppy Ridge Road is certified for 2,700 linear feet and 830 linear feet of Franke Road are certified for borough maintenance.
2. Standard: Whether it is economically feasible to improve the road to RSA certification standards.

Finding: The entire project cost is approximately \$348,257. Thirty two(32) of the thirty four (34) benefited parcels are improved with single-family dwellings and are uniform in size. One benefited parcel is 240 acre parcel owned by the Kenai Peninsula Borough and is improved with a driveway. One benefited parcel is a recorded condo parcel of 2.77 acres with no improvements. The lien for any given parcel will not exceed 25 percent of the value of the parcel as required by KPB 14.31.080 following any required prepayments. The project would provide pavement and reduce maintenance costs. This road is in good condition without out-of-the-ordinary costs for construction anticipated. Considering these factors, the project is economically feasible.

3. Standard: To what extent do the assessed values of the benefited properties support the scope of work for the project.

Finding: No lien will exceed 25 percent of the value of a parcel as required by KPB 14.31.080(A)(1). The attached spreadsheet shows that if the borough makes a 50 percent match, assessments for each parcel will be \$5,121.43. Considering the parcels range in value from \$91,600 to \$311,300 the assessment will be less than the 25 percent maximum. There is a ten-year payment schedule available to pay the assessments and, generally, the borough has a favorable interest rate for special assessment districts. These factors all indicate that the assessed values support the project.

4. Standard: The number of applications for projects received that year.

Finding: Two applications for use of the Engineer's Estimate Fund were received by the June 1 deadline; Poppy Ridge Road and Ashton Park Subdivision. The Poppy Ridge Road RIAD and Ashton Park Subdivision applications are requesting RIAD Match Funds.

5. Standard: The funds available in the Road Improvement Assessment District Match Fund.

Finding: There is \$500,000 available in the fund.

6. Standard: Whether an application for district formation has been previously filed and whether conditions have changed to make the project more feasible than in past application years.

Finding: The Poppy Ridge Road RIAD has been previously considered or rejected for a match. There were five (5) parcels within the proposed district delinquent in payment of borough real property taxes in 2009, 14.7%. There are currently three (3) parcels delinquent, 8.8%. Delinquent parcels in the proposed district now comply with the 10% requirement of KPB 14.13.080(A) (2).

7. Standard: The number of residents served.

Finding: The proposed RIAD serves an estimated 68 residents.

8. Standard: The number of parcels served.

Finding: There are 34 parcels within this project.

9. Standard: The feasibility of the project's compliance with KPB 14.31.080 criteria regarding restrictions on formation.

Finding: The project meets all the following feasibility criteria:

A. *Does the assessment to assessed value ratio exceed 21 percent for gravel improvements, or 25 percent for pavement?* No. The assessment will not exceed 25 percent of the assessed value for any parcel.

B. *Are the parcels bearing more than 10 percent of the estimated costs of the improvement delinquent in real property taxes in the immediately preceding tax year?* No. There are tax delinquencies. Presently there are three (3) lots within the proposed district delinquent in payment of borough real property taxes, 8.8%. KPB 14.31.080(B) states that this provision must be met at the time the clerk certifies the petition pursuant to KPB 14.31.070(C).

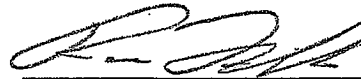
C. *Do unimproved parcels represent more than 40 percent of the assessed value within the district?* No. There are two (2) unimproved parcels in the proposed district, 6%.

10. Standard: Whether there is alternate access to properties served by the road and the condition of that alternate access.

Finding: Poppy Ridge Road and Franke Road have no alternate access to properties

SECTION 4. That a copy of this resolution be forwarded to the mayor and assembly.

**ADOPTED BY THE KENAI PENINSULA BOROUGH ROAD SERVICE AREA BOARD
ON THIS 14th DAY OF SEPTEMBER 2010.**



Ron Wille, Road Service Area Board Chair

ATTEST:



Doug Schoessler, Road Service Area Director