

CITY OF SOLDOTNA
RESOLUTION 2013-011

A RESOLUTION OF THE COUNCIL OF THE CITY OF SOLDOTNA, ALASKA, ADOPTING A GENERAL POLICY REGARDING MUNICIPAL MATCHING FUNDS AVAILABLE FOR SPECIAL ASSESSMENT DISTRICT IMPROVEMENTS

WHEREAS, Ordinance 2012-022, adopted September 26, 2012, created Chapter 3.18 of the Soldotna Municipal Code, which provides a procedure for establishing Special Assessment Districts (SAD) in the City of Soldotna; and

WHEREAS, in accordance with SMC 3.18.070, the City Council is required to set a policy regarding use of city funds to fund a portion of the cost of the SAD; and

WHEREAS, citizens desiring to form an SAD would benefit from knowing the likely amount of municipal matching funds available for potential projects; and

WHEREAS, this policy is intended as a general guide, meant to inform the public and City administration of the Council's position regarding matching funds. The Council may alter this policy at any time, to reflect changes in availability of funding, or City priorities.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOLDOTNA, ALASKA:

Section 1. This policy applies to public improvements which primarily benefit the owners of a limited geographical area, as opposed to improvements which benefit the entire community, and are entirely paid for with general governmental resources.

Section 2. In partially developed or undeveloped areas that include one or a small number of property owners, the City shall assess up to one hundred percent (100%) of all eligible costs of the SAD to the benefitted properties and contribute no municipal matching funds. This is intended in situations where the owner(s) are essentially acting as developers, with the intent of marketing and profiting from the undeveloped land.

Section 3. For improvements not categorized under Sections 1 or 2 above, the City may, in its sole discretion, contribute a minimum of fifty percent (50%) and a maximum of seventy-five percent (75%) of all eligible costs of the SAD, with the remaining amount assessed to the benefitted property owners. In determining the exact percentage of municipal matching funds for a particular SAD, the Council shall give preference to projects which:

- a. Reduce City cost and maintenance efforts of existing infrastructure;
- b. Increase development and/or employment potential in the community;
- c. Increase City revenues, for example through additional sales tax and/or real property taxes as a result of the improvements;

- d. Are identified as a priority project of the City, for example in the 5-year Capital Improvement Plan (CIP), legislative priority list, Comprehensive Plan, or other City planning document;
- e. Have secured grant funding that may be used to offset municipal expenditures;
- f. Contribute aesthetic or other quality of life benefits to the community as a whole.

It shall be the burden of the applicant to demonstrate the project's benefit to the City, by referencing the above criteria, if the applicant requests more than the minimum matching amount.


Section 4. Nothing in this policy shall prevent the City from funding an improvement without the formation of an SAD. In such cases, the City shall make a finding that the improvement is in the best interests of the entire community due to:

- a. Reduced City cost and maintenance efforts of existing infrastructure;
- b. Increased development and/or employment potential in the community; or
- c. Increased City revenues, for example through additional sales tax and/or real property taxes as a result of the improvements.

Section 5. Application. A sponsor of a special assessment district shall make his/her request for municipal matching funds, including all back-up or supporting documents, on the initial application to the City Clerk, per SMC 3.18.080(A). The City Administration shall make a recommendation as to the appropriate matching percentage, and include this recommendation with the petition which is returned to the sponsor for circulation.

Section 6. Final Determination. The determination as to the final amount of municipal matching funds provided to a particular SAD will be made by resolution of the City Council, following the public hearing in accordance with SMC 3.18.100. The decision of the Council shall be final. The Council reserves the right to apply percentages different from those listed above, based on the unique characteristics of any project.

ADOPTED BY THE CITY COUNCIL THIS 27TH DAY OF FEBRUARY, 2013.



Brenda Hartman, Vice--Mayor

ATTEST:




Teresa Fahning, City Clerk



City of Soldotna

177 North Birch Street ▶ Soldotna, Alaska ▶ Phone (907) 262-9107

MEMORANDUM

To: Mark Dixon, City Manager
Cc:
From: Stephanie Queen, Planning Director 
Date: February 22, 2013
Subject: SAD matching funds

The City adopted a new Special Assessment District (SAD) code, with Ordinance 2012-022. The ordinance requires that the City Council set a policy regarding the use of matching city funds for SAD projects. The attached resolution contains our recommended policy, for Council consideration.