



CITY OF WASILLA

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COUNCIL MEMORANDUM NO. 93-44

From: Deputy Administrator
Date: May 11, 1993
Subject: Cost Allocation for Local Improvement Districts

At the request of several property owners, we recently conducted a canvass to determine the level of interest in forming an L.I.D. to pave Crestwood Avenue, a collector street. Using very rough cost estimates with the City paying 2/3 of the total, the cost per lot owner will be in the range of \$1,900. We received 15 responses in favor of the project and 7 responses opposing it.

During the above canvass, we received expressions of interest in paving the adjacent streets of Ponderosa Loop, Pinion and Balsam Court. Again, using rough estimates, the cost to each property owner adjacent to these residential streets will be about \$4,500 to \$5,000. These costs are similar to those that would have been allocated to each property owner in the Naomi and Shadowood L.I.D.'s if the Council had not contributed 2/3 of those project costs.

We need to establish a City policy so that administration can adequately and accurately respond to inquiries regarding paving L.I.D.'s. Experience has shown that paving costs per lot in the range of \$2,500 or less are generally acceptable while higher costs get the project voted down. The recently defeated proposal for Southside paving, without Council support for residential streets is an example (at \$2,800 per lot).

A City policy for residential street paving could be based on one of several alternatives:

- (a) Maximum of \$2,500 per lot, with the City contributing the remaining amount to fund the project.
- (b) A set percentage, say 50% of the project cost as opposed to the 66% contributed for collector streets.
- (c) No contribution for residential streets. This is the current allocation in City Code but, in fact, the Council has recently assisted L.I.D.'s. Generally, the cost per lot on our typical acre lots is \$5,000 which apparently discourages property owners.

Recommend (1) that Council establish a policy regarding the amount of contribution that Council will allocate to paving L.I.D.'s for residential streets and (2) direct that administration initiate action to ballot the property owners adjacent to Crestwood, Ponderosa Loop, Pinion and Balsam Court as to the formation of a paving L.I.D.

APPROVED

DATE: 5/24/93 Tentatively establish 2/3 policy
for L.I.D.'s + direct survey
of Crestwood, Ponderosa +
Pinion + Balsam Court
BY: R. Harris



Robert E. Harris
Deputy Administrator