

**Municipality and Borough Special Assessments****FY2004 Request:****\$50,000****Reference No:****31874****AP/AL:** Appropriation**Project Type:** Planning**Category:** General Government**Location:** Statewide**Contact:** Bob Loeffler**House District:** Statewide (HD 1-40)**Contact Phone:** (907)269-8625**Estimated Project Dates:** 07/01/2003 - 06/30/2006**Brief Summary and Statement of Need:**

This project funds special assessments levied by municipalities and boroughs against the Department of Natural Resources for improvements that benefit state properties.

<b>Funding:</b>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FY2009</u>	<u>Total</u>
State Land	\$50,000						\$50,000
<b>Total:</b>	\$50,000	\$0	\$0	\$0	\$0	\$0	\$50,000

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

**Operating & Maintenance Costs:**

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	
<b>Totals:</b>	<b>0</b>	<b>0</b>

**Additional Information / Prior Funding History:**

SLA98/CH139 - \$15,000

**Project Description/Justification:**

AS 29.46.010 is the authority which provides that "a municipality may assess against the property of a state or federal governmental unit and private real property to be benefited by an improvement all of a portion of the cost of acquiring, installing, or constructing capital improvements. The state shall pay an assessment levied, except as otherwise provide by law and subject to its right of protest under AS 29.46.020(b). If a governmental unit other than the state benefited by an improvement refuses to pay the assessment, it shall be denied the benefit of the improvement. An improvement; proposal may be initiated by:

- 1) petition to the governing body of the owners of owners of one-half in value of the property to be benefited; or
- 2) the governing body."

The State, DNR generally provides the following statement during the comment period:

"The statutes do not provide that the State provide improvements (i.e., electrical, sewer, natural gas, etc.) to state lands. Therefore, we cannot agree to the creation of an improvement district which includes the subject State Lands."

However, through the democratic process the majority rules, and if a district is created, the State is required to pay its assessed share. In the past it has been determined that it is inappropriate to pay these assessments from operational funds. Therefore, a CIP has been approved and funded by the Legislature to pay special assessments in the past. The last CIP approved was SLA98/Ch139/Sec131/P53/L21; AR40327, in the amount of \$15,000. To date, there are NO funds remaining in that appropriation.

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**Why is this Project Needed Now:**

We currently have special assessment bills due to the Mat-Su Borough for \$2,885.33 with penalties and interest accruing monthly. There are no funds in the existing CIP account to pay this bill.

**Specific Spending Detail:**

Line Item Expenditures:

Contractual Services \$ 50,000

Line Item Detail Description:

Contractual Services – Special Assessments