



City Council Report

DATE: September 11, 2017

TO: City Council

THROUGH: Kari Kent, Assistant City Manager

FROM: Elizabeth Huning, City Engineer
Rob Kidder, Assistant City Engineer

SUBJECT: Street Improvements Final Assessments
Hawes and Medina – Park and Offsite Roadway Improvements
City Project No. CP0255 (formerly CP0123); Resolution to Approve
the Assessment Diagram Map; District 6

Purpose and Recommendation

The purpose of this report is to provide information and seek City Council approval to use the Assessment Diagram Map on City Project No. CP0255 ("Project"). The Project improved a section of Hawes Road, beginning at Desert Lane and ending approximately 900 feet south of Baseline Road. Improvements included asphalt pavement, curb and gutter, sidewalk, landscaping, and pavement markings.

Staff recommends Council approve the Assessment Diagram Map for the Project. Please see the attached Exhibit A for the Assessment Diagram Map.

Background

On June 16, 2014, the City Council approved Resolution No. 10483 (Exhibit B). This Resolution ordered portions of Hawes Road, beginning at Desert Lane and ending approximately 900 feet south of Baseline Road to be improved prior to development of the adjacent property and that a portion of the costs for the improvements be assessed to the adjacent property. On November 23, 2015, the final construction payment was processed to the contractor, Talis Corporation.

Discussion

The improvements as described within the Resolution are now completed and the final assessments have been calculated. By law, the City is required to prepare an Assessment Diagram Map showing the property to be assessed by the project. The Assessment Diagram Map is now ready to be approved by the City Council.

Alternatives

An alternative would be for the City to not assess the adjacent property owner as outlined under the Resolution. The entire cost of the project would be paid for by the City and no street assessment lien would be recorded against the property.

This is not recommended because the City would have no possibility of being reimbursed by the responsible property owners or eventual developers for improvements the developer would otherwise be required to make.

Fiscal Impact

Under this Assessment Law, the City pays for the cost of installing the Street Assessment Improvements at the time of construction. The amount assessed against each property becomes due when an application for a building permit for development of the property is submitted to the City. Accordingly, all building permits are withheld until the assessment is paid in full. The amount of the assessment does not bear interest. If any property assessed pursuant to this Resolution is not developed within ten (10) years from the date of recording the assessment with the Maricopa County Recorder, the lien automatically expires and the property may be developed without payment of the assessment. The assessment lien is recorded against each property after the construction has been completed. (Lien expires: October 16, 2027)

The overall final construction cost for the project is \$122,970.94. This is equal to the contract amount plus or minus any increases or decreases in the contract amount approved by change order. The following total amounts will be collected from the property owner/developer if the Property is developed within the next ten (10) years:

Parcel 304-03-010M: \$19,973.75

Parcel 304-03-845A: \$2,885.75

Payment received for this assessment from the property owner will be credited to the appropriate city fund once collected.

Coordinated With

The Transportation Department concurs with this recommendation.