
HOUSE BILL 2121

State of Washington

55th Legislature

1997 Regular Session

By Representatives D. Schmidt, Sehlin, Dunshee, Reams, Ogden, Anderson and D. Sommers

Read first time 02/21/97. Referred to Committee on Government Administration.

1 AN ACT Relating to the effect of city and town annexations or
2 incorporations on the authorities and responsibilities of other local
3 governments; amending RCW 35.82.020; adding a new section to chapter
4 43.83B RCW; adding a new section to chapter 43.155 RCW; adding a new
5 section to chapter 43.160 RCW; adding a new section to chapter 70.146
6 RCW; adding a new section to chapter 90.50A RCW; adding a new section
7 to chapter 36.88 RCW; adding new sections to chapter 36.94 RCW; and
8 adding a new section to chapter 36.89 RCW.

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

10 NEW SECTION. **Sec. 1.** A new section is added to chapter 43.83B RCW
11 to read as follows:

12 A city or town acquiring municipal water facilities, that were
13 financed in whole or in part with moneys loaned from the state and
14 local improvements revolving account -- water supply facilities, shall
15 assume the obligation of making all payments to retire the loan that
16 remain outstanding on the date the facilities were acquired under the
17 same terms and conditions that were applicable to the other local
18 government from which the facilities were obtained. This obligation
19 applies to municipal water facilities that were acquired as the result

1 of the annexation or incorporation of territory in which the public
2 facilities are located.

3 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.155 RCW
4 to read as follows:

5 A city or town acquiring public facilities, that were financed in
6 whole or in part with moneys loaned from the public works assistance
7 account, shall assume the obligation of making all payments to retire
8 the loan that remain outstanding on the date the facilities were
9 acquired under the same terms and conditions that were applicable to
10 the other local government from which the facilities were obtained.
11 This obligation applies to public facilities that were acquired as the
12 result of the annexation or incorporation of territory in which the
13 public facilities are located.

14 NEW SECTION. **Sec. 3.** A new section is added to chapter 43.160 RCW
15 to read as follows:

16 A city or town acquiring public facilities, that were financed in
17 whole or in part with moneys loaned from the public facilities
18 construction loan revolving account, shall assume the obligation of
19 making all payments to retire the loan that remain outstanding on the
20 date the facilities were acquired under the same terms and conditions
21 that were applicable to the other local government from which the
22 facilities were obtained. This obligation applies to public facilities
23 that were acquired as the result of the annexation or incorporation of
24 territory in which the public facilities are located.

25 NEW SECTION. **Sec. 4.** A new section is added to chapter 70.146 RCW
26 to read as follows:

27 A city or town acquiring public facilities, that were financed in
28 whole or in part with moneys loaned from the water quality account,
29 shall assume the obligation of making all payments to retire the loan
30 that remain outstanding on the date the facilities were acquired under
31 the same terms and conditions that were applicable to the other local
32 government from which the facilities were obtained. This obligation
33 applies to public facilities that were acquired as the result of the
34 annexation or incorporation of territory in which the public facilities
35 are located.

1 NEW SECTION. **Sec. 5.** A new section is added to chapter 90.50A RCW
2 to read as follows:

3 A city or town acquiring water pollution control facilities, that
4 were financed in whole or in part with moneys loaned from the water
5 pollution control revolving fund, shall assume the obligation of making
6 all payments to retire the loan that remain outstanding on the date the
7 facilities were acquired under the same terms and conditions that were
8 applicable to the other local government from which the facilities were
9 obtained. This obligation applies to public facilities that were
10 acquired as the result of the annexation or incorporation of territory
11 in which the public facilities are located.

12 NEW SECTION. **Sec. 6.** A new section is added to chapter 36.88 RCW
13 to read as follows:

14 Property located within a county road improvement district that is
15 annexed by a city or town, or incorporated into a city or town, shall
16 remain subject to the special assessments imposed within the county
17 road improvement district and any reassessments or supplemental
18 assessments that are imposed by the county within the county road
19 improvement district.

20 NEW SECTION. **Sec. 7.** A new section is added to chapter 36.94 RCW
21 to read as follows:

22 Property located within a local road improvement district or
23 utility local improvement district that is annexed by a city or town,
24 or incorporated into a city or town, shall remain subject to the
25 special assessments imposed within the improvement district and any
26 reassessments or supplemental assessments that are imposed by the
27 county within the improvement district.

28 NEW SECTION. **Sec. 8.** A new section is added to chapter 36.89 RCW
29 to read as follows:

30 An area annexed by a city or town, or incorporated into a city or
31 town, that is served by county storm water control facilities may
32 continue to be served by the county under the provisions of this
33 chapter after the annexation or incorporation. However, nothing in
34 this section precludes the county from entering into a written
35 agreement with the city or town to no longer provide this utility
36 service within the annexed or incorporated area.

1 NEW SECTION. **Sec. 9.** A new section is added to chapter 36.94 RCW
2 to read as follows:

3 An area annexed by a city or town, or incorporated into a city or
4 town, that is served by a county system of sewerage or county system of
5 water under the provisions of this chapter after the annexation or
6 incorporation of the city or town shall be deemed to have provided its
7 written consent to this utility service as provided under RCW
8 36.94.170. However, nothing in this section precludes the county from
9 entering into a written agreement with the city or town to no longer
10 provide this utility service within the annexed or incorporated area.

11 **Sec. 10.** RCW 35.82.020 and 1989 c 363 s 1 are each amended to read
12 as follows:

13 The following terms, wherever used or referred to in this chapter,
14 shall have the following respective meanings, unless a different
15 meaning clearly appears from the context:

16 (1) "Authority" or "housing authority" shall mean any of the public
17 corporations created by RCW 35.82.030.

18 (2) "City" shall mean any city, town, or code city. "County" shall
19 mean any county in the state. "The city" shall mean the particular
20 city for which a particular housing authority is created. "The county"
21 shall mean the particular county for which a particular housing
22 authority is created.

23 (3) "Governing body" shall mean, in the case of a city, the city
24 council or the commission and in the case of a county, the county
25 legislative authority.

26 (4) "Mayor" shall mean the mayor of the city or the officer thereof
27 charged with the duties customarily imposed on the mayor or executive
28 head of the city.

29 (5) "Clerk" shall mean the clerk of the city or the clerk of the
30 county legislative authority, as the case may be, or the officer
31 charged with the duties customarily imposed on such clerk.

32 (6) "Area of operation": (a) In the case of a city housing
33 authority ~~((of a city))~~ that has been activated under RCW 35.82.030,
34 shall include ~~((such))~~ the city and the area within five miles from the
35 territorial boundaries thereof~~((: PROVIDED, That))~~. However, the area
36 of operation of ~~((a))~~ an activated city housing authority ~~((of any~~
37 ~~city))~~ shall not include any area which lies within the territorial
38 boundaries of some other city~~((, as herein defined))~~ with a housing

1 authority activated under RCW 35.82.030; and (b) in the case of a
2 county housing authority ((of a county)) that has been activated under
3 RCW 35.82.030, shall include all of the county except that portion
4 which lies within the territorial boundaries of any activated city
5 housing authority as herein defined, except the area of operation for
6 an activated county housing authority also includes any territory where
7 its facilities are located within the area of operation of an activated
8 city housing authority if the facilities were provided prior to the
9 activation of the city housing authority or prior to an expansion of
10 the area of operation of the activated city housing authority as the
11 result of an annexation of territory by the city.

12 (7) "Federal government" shall include the United States of
13 America, the United States housing authority or any other agency or
14 instrumentality, corporate or otherwise, of the United States of
15 America.

16 (8) "Slum" shall mean any area where dwellings predominate which,
17 by reason of dilapidation, overcrowding, lack of ventilation, light or
18 sanitary facilities, or any combination of these factors, are
19 detrimental to safety, health and morals.

20 (9) "Housing project" shall mean any work or undertaking: (a) To
21 demolish, clear or remove buildings from any slum area; such work or
22 undertaking may embrace the adaptation of such area to public purposes,
23 including parks or other recreational or community purposes; or (b) to
24 provide decent, safe and sanitary urban or rural dwellings, apartments,
25 mobile home parks, or other living accommodations for persons of low
26 income; such work or undertaking may include the rehabilitation of
27 dwellings owned by persons of low income, and also may include
28 buildings, land, equipment, facilities and other real or personal
29 property for necessary, convenient or desirable appurtenances, streets,
30 sewers, water service, parks, site preparation, gardening,
31 administrative, community, health, recreational, welfare or other
32 purposes; or (c) without limitation by implication, to provide decent,
33 safe, and sanitary urban and rural dwellings, apartments, mobile home
34 parks, or other living accommodations for senior citizens; such work or
35 undertaking may include buildings, land, equipment, facilities, and
36 other real or personal property for necessary, convenient, or desirable
37 appurtenances, streets, sewers, water service, parks, site preparation,
38 gardening, administrative, community, health, recreational, welfare, or
39 other purposes; or (d) to accomplish a combination of the foregoing.

1 The term "housing project" also may be applied to the planning of the
2 buildings and improvements, the acquisition of property, the demolition
3 of existing structures, the construction, reconstruction, alteration
4 and repair of the improvements and all other work in connection
5 therewith.

6 (10) "Persons of low income" shall mean persons or families who
7 lack the amount of income which is necessary (as determined by the
8 authority undertaking the housing project) to enable them, without
9 financial assistance, to live in decent, safe and sanitary dwellings,
10 without overcrowding.

11 (11) "Bonds" shall mean any bonds, notes, interim certificates,
12 debentures, or other obligations issued by the authority pursuant to
13 this chapter.

14 (12) "Real property" shall include all lands, including
15 improvements and fixtures thereon, and property of any nature
16 appurtenant thereto, or used in connection therewith, and every estate,
17 interest and right, legal or equitable, therein, including terms for
18 years and liens by way of judgment, mortgage or otherwise and the
19 indebtedness secured by such liens.

20 (13) "Obligee of the authority" or "obligee" shall include any
21 bondholder, trustee or trustees for any bondholders, or lessor demising
22 to the authority property used in connection with a housing project, or
23 any assignee or assignees of such lessor's interest or any part
24 thereof, and the federal government when it is a party to any contract
25 with the authority.

26 (14) "Mortgage loan" shall mean an interest bearing obligation
27 secured by a mortgage.

28 (15) "Mortgage" shall mean a mortgage deed, deed of trust or other
29 instrument securing a mortgage loan and constituting a lien on real
30 property held in fee simple, or on a leasehold under a lease having a
31 remaining term at the time the mortgage is acquired of not less than
32 the term for repayment of the mortgage loan secured by the mortgage,
33 improved or to be improved by a housing project.

34 (16) "Senior citizen" means a person age sixty-two or older who is
35 determined by the authority to be poor or infirm but who is otherwise
36 in some manner able to provide the authority with revenue which
37 (together with all other available moneys, revenues, income, and
38 receipts of the authority, from whatever sources derived) will be
39 sufficient: (a) To pay, as the same become due, the principal and

1 interest on bonds of the authority; (b) to meet the cost of, and to
2 provide for, maintaining and operating projects (including the cost of
3 insurance) and administrative expenses of the authority; and (c) to
4 create (by not less than the six years immediately succeeding the
5 issuance of any bonds) a reserve sufficient to meet the principal and
6 interest payments which will be due on the bonds in any one year
7 thereafter and to maintain such reserve.

8 (17) "Commercial space" shall mean space which, because of its
9 proximity to public streets, sidewalks, or other thoroughfares, is well
10 suited for commercial or office use. Commercial space includes but is
11 not limited to office as well as retail space.

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