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**SENATE BILL 5795**

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**State of Washington 64th Legislature 2015 Regular Session**

**By** Senators Roach and Liias

AN ACT Relating to authorizing municipalities to create assessment reimbursement areas for the construction or improvement of water or sewer facilities; and adding a new section to chapter 35.91 RCW.

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

NEW SECTION. **Sec.**  A new section is added to chapter 35.91 RCW to read as follows:

(1) As an alternative to the procedures provided in RCW 35.91.020 for financing the construction or improvement of water or sewer facilities, a municipality may create an assessment reimbursement area on its own initiative, without the participation of a private property owner, finance the costs of the construction or improvement, and become the sole beneficiary of reimbursements.

(a) The boundaries of an assessment reimbursement area must be formulated by the municipality based upon a determination of which parcels in the proposed area would require construction or improvement of water or sewer facilities upon development, or would require connection to or usage of constructed or improved water or sewer facilities upon development.

(b) A preliminary determination of the assessment reimbursement area boundaries and assessments, along with a description of property owners' rights and options, must be sent by certified mail to each owner of record of real property within the proposed assessment reimbursement area. Owners of property within the proposed area may request a public hearing by submitting a written request to the municipality within twenty days of the preliminary determination's mailing. If a written request is submitted, the legislative authority of the municipality must hold a public hearing on the assessment reimbursement area. Notice of the hearing must be provided to all affected property owners. Any rulings of the legislative authority of the municipality are determinative and final.

(c) The final determination of the assessment reimbursement area boundaries and assessments must be recorded in the county auditor's office of the county in which the area is situated.

(2) A municipality may be reimbursed in accordance with this section only for the costs of construction or improvements that benefit property that will be connected to, and property owners who will use, the water or sewer facilities within the assessment reimbursement area. The reimbursement must be a pro rata share of construction and administration costs of the water or sewer facilities project. The municipality must determine the reimbursement share of each property owner by using a method of cost apportionment that is based on the benefit to the property owner from the project. A municipality may not receive reimbursement of costs for construction or improvements that benefit the general public.

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