SUBSTITUTE HOUSE BILL 1911

State of Washington 64th Legislature 2015 Regular Session

By House Local Government (originally sponsored by Representatives Fitzgibbon and Tarleton)

READ FIRST TIME 02/20/15.

- 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
- 4 RCW.

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- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 35.91 7 RCW to read as follows:
- (1) As an alternative to the procedures provided in RCW 35.91.020 8 9 for financing the construction or improvement of water or sewer facilities, a municipality may create an assessment reimbursement 10 11 area on its own initiative, without the participation of a private 12 property owner, finance all of the costs associated with the 13 construction or improvement, and become the sole beneficiary of 14 reimbursements.
- 15 (a) A municipality may establish an assessment reimbursement area 16 only in locations where a municipality's ordinances require water or 17 sewer facilities to be constructed or improved as a prerequisite to 18 further property development or redevelopment.
 - (b) 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

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improvement of water or sewer facilities upon development or redevelopment, or would be allowed to connect to or use constructed or improved water or sewer facilities.

- (c) 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. A person who has exhausted all available administrative remedies may seek judicial review of a municipality's final determination in accordance with the provisions of chapter 36.70C RCW.
- (d) 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) A municipality may be reimbursed in accordance with this section only for all costs associated with construction or improvements that benefit property that will connect to, and property owners who will use, the water or sewer facilities within the assessment reimbursement area. Reimbursement may be assessed only when:
- (i) A property is developed or redeveloped in a manner requiring connection to or use of the water or sewer facilities; or
- (ii) A property owner requests connection to or use of water or sewer facilities.
 - (b) The reimbursement assessment may not exceed a property's pro rata share of all costs associated with construction of the water or sewer facilities required to meet utility service and fire suppression standards. 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 and is consistent with provisions for determining costs and reimbursement shares under RCW 35.91.020(1) (a) and (b).

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	(C)	A n	municip	ali	ty may	not 1	recei	ive	reimburser	ment	of	costs	for	any
	portion	of	water	or	sewer	facil	ity	con	struction	or	impı	covemer	nts	that
only benefit the general public.														

(3) For purposes of this section, "general public" means property outside of the assessment reimbursement area.

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