



TO: T.C. Broadnax, City Manager
FROM: Phyllis Macleod, Hearing Examiner
COPY: City Council and City Clerk
SUBJECT: Ordinance 13-0074 – Confirm and Approve Assessment Roll for Local Improvement District No. 7724 – City Council Meeting September 24, 2013
DATE: September 6, 2013

SUMMARY:

Confirming and approving the Assessment Roll for Local Improvement District (L.I.D.) No. 7724.

BACKGROUND:

On April 22, 2008, the Tacoma City Council adopted Ordinance No. 27709, which provided for the creation of L.I.D. No. 7724. Ordinance No. 27709 called for public work and improvements consisting of a conversion of the existing overhead electrical primary, telephone, and cable television lines to underground along Stadium Way from the intersection of Stadium Way and Borough Road northwesterly to the dead end, together with all other work necessary to complete the project in accordance with maps, plans, and specifications prepared and on file in the Office of the Director of Public Works.

The Assessment Roll for L.I.D. No. 7724 was filed in the Office of the City Clerk on June 18, 2013, and a public hearing on the Assessment Roll was held on July 25, 2013. Ralph Rodriguez, L.I.D. Administrator for the City's Department of Public Works, testified that the improvements have been completed in accordance with the plans and specifications for such work and that a modified zone & termini formula was initially used to estimate the L.I.D. assessments. The Assessable Units of Frontage (A.U.F.), for properties within the local improvement district, were calculated by the City using mathematical quotients set forth in state statute at RCW 35.44.040. The City applied an additional adjustment to the A.U.F. calculation based on whether the property fell within one of three benefit categories: (1) Neighborhood Improvement for parcel where the wires/poles removed were not within their primary view corridor; (2) View Improvement for parcels receiving a great deal of benefit from removal of the overhead utility lines from their primary view corridor; and (3) View and Neighborhood Improvement for parcels obtaining both a benefit to their primary views and a benefit from directly abutting the improvements. The final project cost is \$183,313.54 compared to the estimated project cost of \$230,153.88. The final total assessed to property owners is \$145,033.60. The final assessment was based on a Special Benefit Study (SBS) prepared by Trueman & Associates, a real estate appraisal and consulting firm. The SBS demonstrates that the cash fair market value of each parcel of property benefited by L.I.D. No. 7724 has been increased in an amount equal to or greater than its assessment. One owner of property appeared at hearing on July 25, 2013, to contest the assessment on a lot along Stadium Way that she and her husband own together. The owners believe their assessment is disproportionately high compared to benefits realized by properties fronting the improvements, but did not, pursuant to Tacoma Municipal Code 1.23.070.B, present any expert appraisal testimony challenging the calculation or appraisal methodology the City used to develop the Assessment Roll. The City determined the contested assessment was more than most due to the large size of the lot. This is a 20-year Assessment Roll.

ISSUE:

The improvements have been completed, the final project costs are known, the final assessments are determined, and a hearing on the final assessments has been conducted. The assessment roll hearing provided property owners the opportunity to present relevant information to contest their local improvement district assessment. Having considered the evidence presented and applying the laws and



policies governing local improvement districts, the Hearing Examiner recommends the assessment roll be confirmed and approved. In accordance with State Law and the Tacoma Municipal Code governing local improvement districts, confirmation of the final assessments is the last step in the local improvement district process.

ALTERNATIVES:

Adoption of Ordinance No. 27709, that created L.I.D. No. 7724, directed the City to complete the project in accordance with the maps, plans, and specifications prepared by the office of the Director of the Department of Public Utilities. The confirmation and approval of the final assessment roll allows the City to reimburse itself by property local improvement district assessments.

RECOMMENDATION:

The Hearing Examiner finds that the Assessment Roll for Local Improvement District No. 7724 conforms to applicable legal requirements and recommends that the City Council adopt an ordinance assessing the property for benefits conferred under L.I.D. No. 7724, and further recommends that the Assessment Roll for L.I.D. No. 7724 be confirmed and approved.



FISCAL IMPACT:EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4700, Power Current Fund Capital	PWR-00258		\$183,313.54
TOTAL			\$183,313.54

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4700, Power Current Fund Capital	PWR-00258-01	6371100	\$145,033.60
4700, Power Current Fund Capital	PWR-00258-FS-LT	6311212	\$38,279.94
TOTAL			\$183,313.54

POTENTIAL POSITION IMPACT:

POSITION TITLE	PERMANENT/ PROJECT TEMPORARY POSITION	FTE IMPACT	POSITION END DATE
N/A	N/A	N/A	N/A
TOTAL			

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: None

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED.

