

CITY OF PACIFIC
WASHINGTON

ORDINANCE NO. 1806

An Ordinance of the City of Pacific, Washington, ordering the construction of one additional lane on Valentine Avenue Southeast, from County Line Road to 16th Avenue East and related utility and streetscape improvements, all in accordance with Resolution No. 1083 of the City Council; establishing Local Improvement District No. 6; ordering the carrying out of the proposed improvements; providing that payment for the improvements be made in part by special assessments upon the property in the District, payable by the mode of "payment by bonds"; and providing for the issuance and sale of local improvement district bonds.

**THE CITY COUNCIL OF THE CITY OF PACIFIC, WASHINGTON, DOES ORDAIN
AS FOLLOWS:**

Section 1. Recitals.

1.1 Under Resolution No. 1083 dated June 13, 2011, the City Council (the "Council") of the City of Pacific, Washington (the "City") declared its intention to order the construction of one additional lane on Valentine Avenue Southeast from County Line Road to 16th Avenue East and related utility and streetscape improvements, as more fully described in Exhibit B of Resolution 1083 (the "Improvements"), a portion of the cost thereof to be borne by the property included in a local improvement district and benefited by those improvements.

1.2 The City's Public Works Director has caused an estimate to be made of the cost and expense of the Improvements and certified that estimate to the City's Hearing Examiner, together with all papers and information in his possession touching the Improvements; a description of the boundaries of the proposed local improvement district; and a statement of what portion of the cost and expense of the Improvements should be borne by the property within the proposed improvement district.

1.3 That estimate is accompanied by a diagram of the Improvements showing thereon the lots, tracts, parcels of land, and other property that will be specially benefited by the Improvements and the estimated cost and expense thereof to be borne by each lot, tract, and parcel of land or other property.

1.4 The City Council, by Resolution No. 1083, fixed July 19, 2011, 9:00 a.m., local time, in the Council Chambers of the City Hall as the time and place for hearing all matters relating to the Improvements and all objections thereto and for determining the method of payment for the Improvements.

1.5 Due notice of the above hearing was given in the manner provided by law and Resolution No. 1083. The hearing was held before the City's Hearing Examiner on the date and at the time above mentioned, and all objections to the Improvements were duly considered by the Hearing Examiner, and all persons appearing at such hearing and wishing to be heard were heard.

1.6 The City's Hearing Examiner has recommended to the Council, and the Council has determined it to be in the best interests of the City, that a local improvement district be created in connection with and for the purpose of carrying out the Improvements.

Section 2. Improvements Ordered. The Council orders the construction of one additional lane on Valentine Avenue Southeast from County Line Road to 16th Street East and related utility and streetscape improvements, as more fully described in Exhibit B of Resolution No. 1083.

All of the foregoing shall be in accordance with the plans and specifications therefor prepared by the [City Engineer], and may be modified by the City Council as long as such modification does not affect the general purpose of the Improvements.

Section 3. Local Improvement District Created. There is created and established a local improvement district to be called Local Improvement District No. 6 of the City of Pacific, Washington (the "District"), the boundaries or territorial extent of the District being more particularly described in **Attachment A**.

Section 4. Cost of Improvements. The total estimated cost and expense of the Improvements is declared to be approximately \$10,890,000. Approximately \$2,020,000 of such cost and expense shall be paid by the City and approximately \$5,220,000 of such cost and expense shall be paid by grants. The balance thereof, in the amount of approximately \$3,650,000, shall be born by and assessed against the property in the included in the District that embraces as nearly as practicable all property specially benefited by the Improvements.

Section 5. Method of Assessment. In accordance with the provisions of RCW 35.44.047, the City may use any method or combination of methods to compute assessments that may be deemed to more fairly reflect the special benefits to the properties being assessed than the statutory method of assessing the properties.

Section 6. Interim Financing and Authorization of Local Improvement District Bonds. Local improvement district warrants ("revenue warrants") may be issued in payment of the cost and expense of the improvement herein ordered to be assessed, such warrants to be paid out of the Local Improvement Fund, District No. 6, created pursuant to Section 8 of this ordinance (the "Local Improvement Fund"). Until the bonds referred to in this section are issued and delivered to the purchaser thereof, any such warrants shall bear interest from the date thereof at a rate to be established hereafter by the City Finance Director, as issuing officer, and to be redeemed in cash and/or by local improvement district bonds authorized by this ordinance. In the alternative, the City hereafter may provide by ordinance for the issuance of other short-term obligations pursuant to Chapter 39.50 RCW or may provide for one or more interfund loans to make cash available pending issuance of local improvement district bonds.

If the City shall authorize expenditures to be made for such improvement (other than for any cost or expense expected to be borne by the City) prior to the date that any short-term obligations or local improvement district bonds are issued to finance the improvement, from proceeds of interfund loans or other funds that are not, and are not reasonably expected to be, reserved, allocated on a long-term basis or otherwise set aside to pay the cost of the improvement herein ordered to be assessed against the property specially benefited thereby, the City declares its official intent that those expenditures, to the extent not reimbursed with prepaid special benefit assessments, are to be reimbursed from proceeds of short-term obligations or local improvement district bonds that are expected to be issued for the improvement in a principal amount not exceeding \$3,650,000.

The City is authorized to issue local improvement district bonds for the District that shall bear interest at a rate and to be payable on or before a date to be hereafter fixed pursuant to action by the City Council. The bonds shall be issued in exchange for and/or in redemption of any and all revenue warrants issued hereunder or other short-term obligations hereafter authorized and not redeemed in cash within twenty days after the expiration of the thirty-day period for the cash payment of assessments without interest on the assessment roll for the District. The bonds shall be paid and redeemed by the collection of special assessments to be levied and assessed against the property within the District, payable in annual installments, with interest at a rate to be hereafter fixed by ordinance under the mode of "payment by bonds," as defined by law and the ordinances of the City. The exact form, amount, date, interest rate, and denominations of such bonds hereafter shall be fixed pursuant to ordinance of the City Council. Such bonds shall be sold in such manner as the City Council hereafter shall determine.

Section 7. Competitive Bids. In all cases where the work necessary to be done in connection with the making of such improvement is carried out pursuant to contract upon competitive bids (and the City shall have and reserves the right to reject any and all bids), the call for bids shall include a statement that payment for such work will be made in cash warrants drawn upon the Local Improvement Fund.

Section 8. Local Improvement Fund Created. The Local Improvement Fund for the District is created and established in the office of the City Finance Director. The proceeds from the sale of revenue warrants (or other short-term obligations, if any) drawn against the fund that may be issued and sold by the City and the collections of special assessments, interest, and penalties thereon shall be deposited in the Local Improvement Fund. Cash warrants to the contractor or contractors in payment for the work to be done by them in connection with the improvement and cash warrants in payment for all other items of expense in connection with the improvement shall be issued against the Local Improvement Fund.

Section 9. Filing of Preliminary Assessment Roll. Within 15 days of the passage of this ordinance there shall be filed with the City Finance Director the title of the improvement and District number, a copy of the diagram or print showing the boundaries of the District and the preliminary assessment roll or abstract of such roll showing thereon the lots, tracts, and parcels of land that will be specially benefited thereby and the estimated cost and expense of such improvement to be borne by each lot, tract, or parcel of land. The City Finance Director shall immediately post the proposed assessment roll upon the index of local improvement assessments against the properties affected by the local improvement.

PASSED by the City Council and APPROVED by the Mayor of the City of Pacific, Washington, at a regular open public meeting thereof, this 22nd day of August, 2011.

Adopted at the 8/22/11 Council Meeting

Richard Hildreth, Mayor

ATTEST:

Adopted at the 8/22/11 Council Meeting

City Clerk

APPROVED AS TO FORM:

Adopted at the 8/22/11 Council Meeting

City Attorney

CERTIFICATION

I, the undersigned, City Clerk of the City of Pacific, Washington, certify as follows:

1. The attached copy of Ordinance No. 1806 (the "Ordinance") is a full, true and correct copy of an ordinance duly passed at a regular meeting of the City Council of the City held at the regular meeting place thereof on August 22, 2011, as that ordinance appears on the minute books of the City; and the Ordinance will be in full force and effect five days after publication in the City's official newspaper.

2. A quorum of the members of the City Council was present throughout the meeting. And a majority of those members present voted in the proper manner for the passage of the Ordinance

DATED this 22nd day of August, 2011.

CITY OF PACIFIC, WASHINGTON

Adopted at the 8/22/11 Council Meeting

City Clerk

ATTACHMENT A

City of Pacific LID Boundary Description

Those portions of the Northwest Quarter and Southwest Quarter of Section 1, the Northeast Quarter and the Southeast Quarter of Section 2, all in Township 20 North, Range 4 East of the Willamette Meridian, in City of Pacific, County of Pierce, State of Washington, being more particularly described as follows:

Beginning at the intersection with the west right-of-way line of the Chicago Milwaukee -- St. Paul and Pacific Railroad and the north right-of-way line of 16th Street East; thence north along the west line of said Railroad right-of-way to the southeast boundary corner of Steward Road Condominiums, as recorded under auditor's file number 201012105002, records of said county; thence along the south line of said condominium plat, west to the southwest corner thereof; thence along the west line of said condominium plat and the west line of Lot 1 as shown on Pierce County Short Plat recording number 8904170056 records of said county, north to the northwest corner thereof; thence along the north line of said Lot 1, east to the west right-of-way line of said Railroad; thence along said west right-of-way line, north to the intersection with the south right-of-way line of County Line Road (AKA Division St. East); thence along said south right-of-way line, west to the northeast corner of Lot B "North Portion" as shown on Record of Survey for Boundary Line Adjustment recording number 200001255001, records of said county; thence along the east line of said Lot B southerly to the southeast corner thereof; thence continuing southerly along the extension of said east line to the southerly right-of-way line of Roy Road SE and the northerly line of Lot A as shown on said Boundary Line Adjustment; thence southwesterly and westerly along the north line of said Lot A to the west line thereof; thence along the west line of said Lot A, southerly to the southwest corner thereof, said southwest corner being on the south line of Government Lot 2 in the Northeast Quarter of Section 2 of said Township and Range; thence along the south line of said Lot A, and the south line of said Government Lots 2 and 1, in said Northeast Quarter, to the east line of said Northeast Quarter; thence along said east line, south to the East Quarter Corner of said Northeast Quarter; thence along the east line of the Southeast Quarter of said Section 2, south to the south right-of-way line of Stewart Road SW (AKA 8th St E); thence along said south right-of-way line, east to the west line of the east 195 feet of Lots 1 and 2 of Block 62 of C.D. Hillman's Pacific City Division 4 as recorded in volume 8 of plats, pages 36 and 37, records of said county; thence along said west line, south to the north line of Lot 3 of said Block 62; thence along the north line of said Lot 3, west to the east line of said Southeast Quarter; thence along said east line, north to the northeast corner of Revised Parcel D as shown on Record of Survey for Boundary Line Adjustment recording number 200403255003 records of said county; thence along the north line of said Parcel D, west to the northwest corner thereof; thence along the west line of said Parcel D, south to the southwest corner thereof; thence along the south line of said Parcel D, east to the east line of said Southeast Quarter; thence along the east line of said Southeast Quarter, south to northeast corner of the east 210 feet of the south 415 feet of Lots 5 and 6, Block 63 of said C.D. Hillman's Pacific City Division 4; thence along the north line of said south 415 feet, west to the west line of said east 210 feet; thence along the said west line, south to the north right-of-way line of said 16th Street East; thence along said right-of-way line, east to the Point of Beginning.



Parametrix, David Ironmonger June 6, 2011

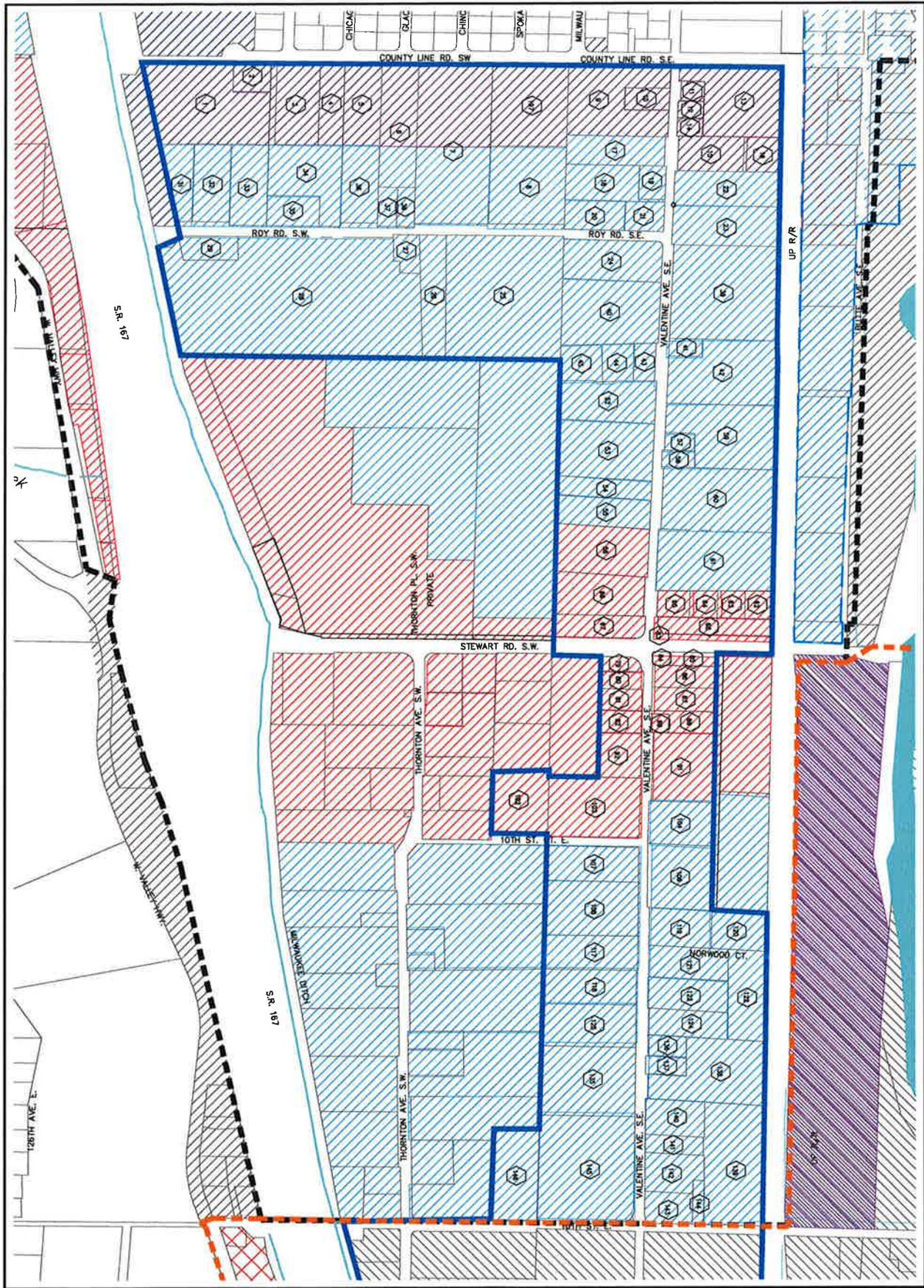


Figure 1: City of Pacific Valentine Avenue Project Proposed LID Boundary

 Scale in Feet	LEGEND City of Pacific Limits City of Sumner Limits Proposed Limits of LID Pierce County Employment Center (EC)	Commercial Highway Commercial Light Industrial Heavy Industrial Office Park General Commercial	Interchange Commercial Light Industrial Heavy Industrial General Commercial
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Valentine Avenue Local Improvement District (LID) No. 6 Preliminary Assessment Roll

Map No.	Ownership	Tax Parcel No.	Site Address	Grass Land (Acres)	Land Area (Acres)	Land Area (SF)	Building Type	Building Size (SF)	Year Built	Zoning	Land Value Per SF	Probable Market Value Pre-	ECV Improvement %	ECV Improvement \$	Land Value	Land Value Per SF	Probable Market Value Post	Special Benefit/ SF	Special Benefit	Preliminary Assessment	Percentage of Project
1	OLSON ELLER B	4495200024	310 COUNTY LINE RD	0.29	173,824	173,824	NONE	N/A	N/A	N/A	\$7.00	\$1,116,628	45	\$50,948	\$1,167,576	\$7.10	\$1,184,520	40.10	\$17,450	\$10,440.00	0.28%
2	OLSON ELLER B	4495200025	310 COUNTY LINE RD	0.59	382,560	382,560	ADDN ONLY COMM	N/A	1950	CP	\$7.00	\$4,151,320	60	\$1,037,820	\$4,255,140	\$7.10	\$4,151,320	60.10	\$103,782	\$132,000.00	0.13%
3	DAN O BERL LLC	4495200110	280 COUNTY LINE RD	1.85	1,266,840	65,868	ADDN ONLY COMM	N/A	1945	CP	\$7.00	\$568,100	45	\$25,365	\$593,465	\$7.10	\$574,100	45.10	\$8,000	\$4,900.00	0.13%
4	GUSTAFSON HOWARD	4495200110	280 COUNTY LINE RD	0.95	65,868	65,868	ADDN ONLY COMM	N/A	1945	CP	\$7.00	\$302,400	45	\$12,960	\$315,360	\$7.10	\$293,600	45.10	\$4,100	\$4,100.00	0.03%
5	MSH INVESTMENTS	4495200151	230 COUNTY LINE RD SW	1.43	97,400	67,400	ADDN ONLY COMM	(1) 3,760 (2) 1,200	1979 (3) 11	CP	\$7.00	\$928,400	465	\$120,000	\$1,048,400	\$7.10	\$941,600	465.00	\$66,800	\$3,720.00	0.10%
6	3 HD COMPANY INC LIVING TR	4495200153	230 COUNTY LINE RD SW	2.09	145,200	97,400	ADDN ONLY COMM	(1) 3,760 (2) 1,200	1979 (3) 11	CP	\$7.00	\$928,400	465	\$120,000	\$1,048,400	\$7.10	\$941,600	465.00	\$66,800	\$5,460.00	0.15%
7	BAK LID BETHUNA LLC	4495200152	179 ROY ST	3.82	2,628,000	1,134,880	INDUSTRIAL FLEX	(1) 13,890 (2) 10,720	1992 (3) 10	CP	\$8.50	\$11,879,100	138	\$1,583,880	\$13,462,980	\$10.15	\$11,798,100	138.10	\$1,184,880	\$11,100.00	0.31%
8	OLSON ELLER B	4495200026	310 COUNTY LINE RD	0.29	173,824	173,824	INDUSTRIAL FLEX	(1) 13,890 (2) 10,720	1992 (3) 10	CP	\$8.50	\$11,879,100	138	\$1,583,880	\$13,462,980	\$10.15	\$11,798,100	138.10	\$1,184,880	\$11,100.00	0.31%
9	OLSON ELLER B	4495200027	310 COUNTY LINE RD	0.29	173,824	173,824	INDUSTRIAL FLEX	(1) 13,890 (2) 10,720	1992 (3) 10	CP	\$8.50	\$11,879,100	138	\$1,583,880	\$13,462,980	\$10.15	\$11,798,100	138.10	\$1,184,880	\$11,100.00	0.31%
10	OLSON ELLER B	4495200028	310 COUNTY LINE RD	0.29	173,824	173,824	INDUSTRIAL FLEX	(1) 13,890 (2) 10,720	1992 (3) 10	CP	\$8.50	\$11,879,100	138	\$1,583,880	\$13,462,980	\$10.15	\$11,798,100	138.10	\$1,184,880	\$11,100.00	0.31%
11	DUNHAM D	4495200010	728 VALENTINE AVE SE	0.46	3,120	3,120	ADDN ONLY COMM	N/A	1979	CP	\$9.00	\$186,000	40	\$10,000	\$196,000	\$11.50	\$230,000	40.00	\$10,000	\$5,000.00	0.22%
12	OLSON ELLER B	4495200011	728 VALENTINE AVE SE	0.32	2,160	2,160	ADDN ONLY COMM	N/A	1979	CP	\$9.00	\$130,800	40	\$10,000	\$140,800	\$11.50	\$165,000	40.00	\$10,000	\$2,500.00	0.27%
13	PETERSON VIE D & MARIA E	4495200161	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
14	MCCOY LIGHT LLC	4495200162	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
15	LAKE PROPERTIES LLC	4495200163	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
16	LAKE PROPERTIES LLC	4495200164	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
17	BEANE PARSONS LLC	4495200165	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
18	BEANE PARSONS LLC	4495200166	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
19	BEANE PARSONS LLC	4495200167	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
20	BEANE PARSONS LLC	4495200168	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
21	BEANE PARSONS LLC	4495200169	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
22	LAKE PROPERTIES LLC	4495200170	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
23	LAKE PROPERTIES LLC	4495200171	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
24	LAKE PROPERTIES LLC	4495200172	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
25	LAKE PROPERTIES LLC	4495200173	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
26	LAKE PROPERTIES LLC	4495200174	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
27	LAKE PROPERTIES LLC	4495200175	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
28	LAKE PROPERTIES LLC	4495200176	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
29	LAKE PROPERTIES LLC	4495200177	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
30	LAKE PROPERTIES LLC	4495200178	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
31	LAKE PROPERTIES LLC	4495200179	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
32	LAKE PROPERTIES LLC	4495200180	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
33	LAKE PROPERTIES LLC	4495200181	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
34	LAKE PROPERTIES LLC	4495200182	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
35	LAKE PROPERTIES LLC	4495200183	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
36	LAKE PROPERTIES LLC	4495200184	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
37	LAKE PROPERTIES LLC	4495200185	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
38	LAKE PROPERTIES LLC	4495200186	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
39	LAKE PROPERTIES LLC	4495200187	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
40	LAKE PROPERTIES LLC	4495200188	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
41	LAKE PROPERTIES LLC	4495200189	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
42	LAKE PROPERTIES LLC	4495200190	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
43	LAKE PROPERTIES LLC	4495200191	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
44	LAKE PROPERTIES LLC	4495200192	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
45	LAKE PROPERTIES LLC	4495200193	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
46	LAKE PROPERTIES LLC	4495200194	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62%
47	LAKE PROPERTIES LLC	4495200195	753 18TH AVE E	0.31	2,160	2,160	ADDN ONLY COMM	N/A	1968	CP	\$12.00	\$259,200	40	\$10,000	\$269,200	\$18.00	\$312,000	40.00	\$10,000	\$2,500.00	0.62



CITY OF PACIFIC
100 – 3rd Avenue Southeast
Pacific, WA 98047

RECEIVED
CITY OF PACIFIC

AUG 04 2011

COMMUNITY DEVELOPMENT
PUBLIC WORKS DEPARTMENT

August 2, 2011

City of Pacific
100-3rd Avenue S.E.
Pacific, WA 98047

RE: Valentine Avenue SE, Local Improvement District (LID) Formation

Dear Applicant:

Transmitted herewith is the report and recommendation of the City of Pacific Hearing Examiner relating to the above-entitled matter.

Very truly yours,


STEPHEN K. CAUSSEAU, JR.
Hearing Examiner

SKC/jjp cc:

Parties of Record
CITY OF PACIFIC

OFFICE OF THE HEARING EXAMINER

CITY OF PACIFIC

REPORT AND RECOMMENDATION

CASE NO.: Valentine Avenue SE, Local Improvement District (LID) Formation

APPLICANT: City of Pacific
100-3rd Avenue S.E.
Pacific, WA 98047

SUMMARY OF REQUEST:

This project consists of improvements to an existing minor arterial along the Valentine Avenue S.E. corridor from County Line Road to the City of Sumner limits at 16th Street East.

SUMMARY OF RECOMMENDATION:

Approval of LID.

PUBLIC HEARING:

After reviewing City of Pacific Public Works & Community Development Staff Report and examining available information on file with the application, the Examiner conducted a public hearing on the request as follows:

The hearing was opened on July 19, 2011, at 9:00 a.m.

Parties wishing to testify were sworn in by the Examiner.

The following exhibits were submitted and made a part of the record as follows:

- EXHIBIT "1" - City of Pacific Public Works & Community Development Staff Report and Attachments
- EXHIBIT "2"- Mr. Duncan's Diagram
- EXHIBIT "3" - Mr. Duncan's Map

JAMES MORGAN appeared, presented the City Staff Report, and testified that the LID encompasses 99 parcels with 73 parcel owners. The assessments will equal 60 percent of the estimated increase in value. The total cost of the project is \$10,890,000, and payment

will be split by the City, grants, and property owners. A resolution of the City Council established the LID as opposed to a petition formation. On August 22nd the Council will hold a meeting to consider adoption of LID #6. He has received two protests to the formation of the LID, one of which is from a property owner signing a no protest agreement.

CHARLES DIETSCH appeared and testified that he has attended many of the meetings conducted by the City and originally opposed the LID. However, he has changed his mind based on what he has learned. The present road will fail within ten years due to heavy use by UPS and trucking companies. He ran a trucking company and knows what trucks can do to roads. The failed road will hurt property values and will not allow necessary access. The timing and funding for LID's is a long term effort. The costs can be paid in the future as no one is asking for money up front. Most property owners are mature individuals with assets, and not young homeowners. The reality is that the land is industrial and not residential. If one goes to sell their parcel, they want the land to look as attractive as possible which includes a decent road. The LID will mean no more open parking lots as owners will sell land and use it for their retirement. For the cost, the road will improve the property values. We can't invest money now in stocks, etc. and get a return. Here we can. The project will increase the tax base by encouraging larger types of development and larger buildings. The LID is an investment and not a tax. If we don't proceed with the LID now, we can't do it again in two, three, or five years. The project will go to the bottom of the list for funding. It will take many years to get funding again. He would like to see a better design to include sidewalks but understands the City's desire to minimize the cost. He looks at the road as an investment for his retirement.

TARLOCHAN MANN appeared and testified that the Federal debt at 14 trillion dollars is unbelievable. We do not need to be incurring more debt for this road. The design is not feasible. We can't pick up a loan of \$50,000 at six percent when home loans of 15 years are three percent. Most properties are under water to double digit percentages. The road will improve the value of properties, but how will owners get their money out of the property? He encourages another design to make the road work. We shouldn't put such a burden on the community. He travels Valentine Road everyday. It is in better condition than West Valley Highway. If the road can last ten years, wait until then for the LID. We can't continue borrowing money but must live within our means. We can't continue picking up debt. It is very difficult to pick up a loan when the property is now under water. We must look at the design again and keep it within the seven million dollar funding. The seven million dollars has come from our taxes already. Why double dip? Why require abutting property owners to double dip?

JIM MARKONICH appeared and referred to the difference between the east and west sides of the road and noted that it is in its final design. All of the properties on the east side will have a twelve foot travel lane directly against a line of power poles that makes access in and out of the parcels difficult for trucks. He would encourage the original design that would increase costs, but would do the road construction right.

KAREN LESLIE and MIKE FARDEN appeared and testified that they oppose the LID and have negotiated with the City. The City will take ten feet of their property for the road. They can't afford to lose additional property. They can't lease the building due to having no frontage. No one is interested.

LINDA EARLEY, Cascade Animal Protection Society, appeared and testified that the Society object to the LID because its income is based on donations. Last year they acquired \$88,000 in donations but had \$136,000 in expenses. If the LID is approved and they are asked to pay \$81,540 even in increments, it would drastically reduce the number of animals that they can help. The LID will not add value to their property.

DON DUNCAN appeared and testified that he owns two parcels and opposes the LID. He owns a small nursery and the expanded road will not benefit his parcel. He has questions and concerns about the design of the road. Why can't the City install the road at a width of 32 feet on each side of the center line and not 30 feet/34 feet? Valentine is not a straight road, and if it were straightened some would lose property and some not. The City is constructing the road cheaply as opposed to the City of Sumner's design within its jurisdiction. The assessment is to back the bonds that will fund the project. The number of LIDs in the State of Washington has declined. Such has resulted in a reduced demand for LID bonds. Stewart improvements were started ten years ago and are still not complete. The City can't get financing to complete Stewart. He then presented ten objections to the LID to Mr. Morgan. He then introduced Exhibit 2 that showed the Sumner road diagram on the bottom and the Pacific design on the top. He introduced Exhibit 3 also.

MR. MORGAN reappeared and testified that Mr. Mann bought his property from an owner who had signed a no protest agreement.

MARGARET GUSTAFSON appeared and testified that she is protesting for her husband who is in the hospital. Their parcel will not benefit from the improvement as they seldom use Valentine for access. They go through their single-family development. Trucks come down the road and get stuck. Her lot is improved with a single-family residential dwelling.

No one spoke further in this matter and so the Examiner took the matter under advisement and concluded the hearing at 9:41 a.m.

NOTE: A complete record of this hearing is available in the City of Pacific Community Development Department.

FINDINGS, CONCLUSIONS AND DECISION:

FINDINGS:

1. The Hearing Examiner has admitted documentary evidence into the record, heard testimony, and taken this matter under advisement.

2. Pursuant to Resolution No.1083, the City Council of the City of Pacific determined that Valentine Avenue S.E. in its current state is insufficient to serve business development within its corridor. Said Resolution further determined that water infrastructure is likewise insufficient to serve business development. The City Council resolved to improve Valentine Avenue S.E. from County Line Road to 16th Street East and to include related utility and streetscape improvements as set forth in Exhibit B to Resolution No. 1083. The City Council declared that the costs and expenses of the improvements would equal 10.89 million dollars; that the City would pay 2.02 million of that cost; that grants would pay approximately 5.22 million of said cost; and that the balance of approximately 3.65 million "shall be borne by and assessed against the property specially benefitted by the improvements to be included in a local improvement district to be established and embracing as nearly as practicable all the properties specially benefitted by the improvements".
3. Section 4 of Resolution No.1083 notified persons desiring to comment in support of or in opposition to the improvements to appear at a hearing before the Hearing Examiner in the City Council Chambers at 9:00 a.m., July 19, 2011. On June 24, 2011, the City clerk published notice of the City Council's intent to initiate the formation of Local Improvement District No. 6 to construct street, drainage, and water system improvements on Valentine Avenue and that the hearing "upon the proposed improvements" would occur before a hearing examiner in the Council Chambers at 9:00 a.m., July 19, 2011. The notice set forth the total cost of the proposed improvements, the amount expected to be covered by the City and grants, and the amount expected to be covered by LID No. 6.
4. Pursuant to said resolution and notice, the Examiner conducted a public hearing at the appointed time and date and received testimony and evidence both in support of and in opposition to the formation of LID No. 6. In addition to the written statutory notice City staff held eight public meetings during the months of April/May 2011 on LID No. 6. Discussions included project elements, the special benefits study, and proposed preliminary assessments. Staff mailed project brochures, maps, and other literature regarding the formation of the LID to those not in attendance.
5. RCW 35.43.140 authorizes a city council to initiate by resolution its intent to order a local improvement that would be paid in whole or in part by the levy and collection of assessments upon the property within the proposed LID. Said section also requires the provision of notice to "all persons who may desire to object thereto to appear and present their objections at a time to be fixed therein". Said section also authorizes a city council to "designate an officer to conduct the hearings". If the council appoints a hearing officer, the said officer (in this case the Hearing Examiner) must "report recommendations on the resolution to the legislative authority for final action".
6. Our Washington State Court of Appeals has set forth the parameters of an appeal

from the decision of a city council creating a local improvement district. In Citizens for Underground Equality, et. al., v. The City of Seattle, et. al., 6 Wn. App. 338 (1972), the Court held as follows:

However, certain consequences attach to the fact that this is an appeal from a decision of the city council creating the local improvement district, and not an appeal from the confirmation of an assessment role. At this stage of the proceedings the appellants can only challenge the "jurisdiction or authority" of the city council to proceed with creating the district...

Appellants cannot at this time contest the validity or amounts of the special assessments, nor can they question whether the benefits are special or general. These questions can be raised only at the subsequent hearing on the assessment role...6 Wn. App. 338 @ 342 (emphasis the Court's)

In the present case no one testified or presented evidence that the City Council did not have the jurisdiction or authority to proceed with creating LID No. 6. While some persons protesting the LID raised questions regarding the special benefits to their parcels and the amounts of the special assessments, as held by Underground Equality, supra, these matters are not ripe for consideration.

7. Eleven property owners representing 13 parcels within the LID boundary signed waivers of protest to the formation of a LID for street improvements as a condition of development within the LID boundary (see attachment F to Exhibit 1).
8. The City received the following written protests:
 - A. William F. Wright for C. W. Washington Land Company, LLC.
824 Valentine Avenue
 - B. Don Scarsella, Pacific Southern, LLC.
825 and 885 Valentine Avenue
 - C. Karen Leslie and Mike Farden
1207 Valentine Avenue S.E.
 - D. James S. Markonich
799 Valentine Avenue S.E.
 - E. Fred M. Courtney
828 Valentine Avenue
 - F. James B. Olson
328 County Line Road S.W.

- G. Robert Cole
1156 and 1140 Valentine Avenue and 148 Stewart Avenue
- H. Linda Earley for Cascade Animal Protection Society
1326 Valentine Avenue S.E.
- I. Donald D. Duncan
732 and 756 Valentine Avenue S.E.
- J. Lois Arndt
239 and 255 Nyberg Street
- K. Douglas Anderson
751-136th Avenue East and 743 Valentine Avenue S.E.
- L. Lyle and Maria Peterson
755 Valentine Avenue S.E. and 755-136th Avenue East
- M. Hilaria Necesito
759-136th Avenue East
- N. Mary Jo Wallace-Jiminez and John J. Jiminez
926 Valentine Avenue S.E.
- O. Howard A. Gustafson
264 County Line Road S.W.
- P. Scott M. Haymond
210 County Line Road S.W. and 1264 Valentine Avenue S.E.
- Q. Harry L. Arndt
1505-136th Avenue East
- R. Tarlochan S. Mann
784 Valentine Avenue S.E.

Charles Dietsch, Tridelt, Inc., testified and submitted a written document in support of the LID for parcels located at 942, 1018, and 1045 Valentine Avenue.

- 9. Objections to the formation of the LID include assumption of additional debt to pay assessments; no benefit to property; and adverse impacts to property caused by acquisition/condemnation of right-of-way. Protestors also assert that the road design would inhibit trucks northbound on Valentine Avenue from making right turns, as to do so such trucks would need to utilize the center left turn lane. Protestors also assert that the road design should match the design proposed by

the City of Sumner that includes sidewalks, curbs, gutters, and landscape strips on both sides. Even though the cost may be more, the City should do the job right.

CONCLUSIONS:

1. The Hearing Examiner has jurisdiction to consider and decide the issues presented by this request.
2. Due to the limited scope of the hearing as determined by the Court of Appeals in Underground Equality v. City of Seattle, supra, the Examiner recommends formation of LID No. 6 as no property owner presented evidence or testimony that the City Council had neither the jurisdiction nor authority to form the LID.
3. All issues regarding property assessments and the amount of special benefits are not within the scope of the hearing and are reserved to a subsequent hearing to consider the assessment role.
4. The issues regarding street design and costs are totally within the jurisdiction and discretion of the City Council and no recommendations are made thereon.
5. No one identified properties that should be included within or removed from the LID boundary.

RECOMMENDATION:

It is hereby recommended that the City Council of the City of Pacific proceed with formation of Local Improvement District No. 6.

ORDERED this 2nd day of August, 2011.



STEPHEN K. CAUSSEAU, JR.
Hearing Examiner

TRANSMITTED this 2nd day of August, 2011, to the following:

APPLICANT: City of Pacific
100-3rd Avenue S.E.
Pacific, WA 98047

OTHERS:

C. W. Washington Land Company, LLC
William F. Wright
824 Valentine Avenue
Pacific, WA 98047

Pacific Southern, LLC.
Don Scarsella
825 and 885 Valentine Avenue
Pacific, WA. 98047

Karen Leslie and Mike Farden
1207 Valentine Avenue S.E.
Pacific, WA 98047

James S. Markonich
799 Valentine Avenue S.E.
Pacific, WA 98047

Fred M. Courtney
828 Valentine Avenue
Pacific, WA 98047

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Pacific, WA 98047

Robert Cole
1156 Valentine Avenue S.E.
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Cascade Animal Protection Society
Linda Earley
1326 Valentine Avenue S.E.
Pacific, WA 98047

Donald D. Duncan
732 Valentine Avenue S.E.
Pacific, WA 98047

Lois Arndt
732 Valentine Avenue S.E.
Pacific, WA 98047

Douglas Anderson
751-136th Avenue East
Pacific, WA 98047

Lyle and Maria Peterson
755 Valentine Avenue S.E.
Pacific, WA 98047

Hilaria Necesito
759-136th Avenue East
Pacific, WA 98047

Mary Jo Wallace-Jiminez and
John J. Jiminez
926 Valentine Avenue S.E.
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Howard A. and Margaret Gustafson
264 County Line Road S.W.
Pacific, WA 98047

Scott M. Haymond
210 County Line Road S.W.
Pacific, WA 98047

Harry L. Arndt
1505-136th Avenue East
Pacific, WA 98047

Tarlochan S. Mann
784 Valentine Avenue S.E.
Pacific, WA 98047

Tridelt, Inc.
Charles Dietsch
942 Valentine Avenue
Pacific, WA 98047

**CITY OF PACIFIC
CITY COUNCIL MEETING**

**Date: August 22, 2011
6:30 PM**

**Council Chambers
City Hall**

MEETING SUMMARY

1. CALL TO ORDER AND FLAG SALUTE

Mayor Rich Hildreth called the City Council Meeting to order at _____ and led the Pledge of Allegiance.

2. ROLL CALL OF COUNCIL MEMBERS

Tren Walker
Leanne Guier
Josh Putnam
James McMahan- Absent
John Jones
Gary Hulsey
Clint Steiger

Councilmember Hulsey moved to excuse Councilmember McMahan. Councilmember Walker informed the Council that Councilmember McMahan was on the way; motion withdrawn.

Staff present: Jim Morgan, Jay Bennett, Linda Morris, John Calkins, Jane Montgomery and Al Abuan.

3. APPROVAL OF/ADDITIONS TO AGENDA

John Jones

1. Add Ordinance No. 1808
2. Signs on the public Right- of – Way

Clint Steiger

1. Agenda for special meeting

Councilmember Walker moved approval of the agenda as amended and Councilmember Jones second

4. AUDIENCE COMMENTS

Warren Williams a citizen who lives at 3rd and Chicago spoke about a bad spot which has been on his road for 16 years.

Action: The City Engineer will look into the matter.

- Comment time over

5. REPORTS

A. Mayor

- The Finance director position is vacant and the City has looked at various options. We hired Toni Nelson to help with the audit. At the next meeting there will be a proposal to bring in someone who is temporary.
- Discussion of the houses that will be moved from White River Estates. The Levy setbacks are great but the City needs to look at long term maintenance and long term and short term mitigation of debris. He thinks they should do scalping of gravel bars. He thinks we can improve the habitat.
- On Wednesday the KC Assessor will be in town at 11:00 doing a lunch and learn. At 2:30pm, the Mayor will meet with him.

James McMahan came in to the meeting.

B. Finance Committee

Reviewing payables. No meeting.

C. Court Statistics- In Book

D. Public Safety Department- No Report

E. Public Works/Community Development Departments

On June 1st they submitted a buffer restoration plan to the City of Algona. They received the comments back from Algona. He had a meeting today and he knows what they want now. He will submit a restored plan for buffer mitigation by the end of the month. Then wait to hear back from the City of Algona.

F. Community/Senior/Youth/Services

Linda Morris stated she has a successful weekend of fundraising from the garage sale, hotdog sale, and the car wash. The Summer Lunch Program is winding up. They served 2000 lunches. Tomorrow night Leanne Guier and she will be going to the City council meeting in Algona to ask for support. Jay Bennett stated that the Lions Club raised \$254.50 for the late night program. Human services Committee will meet later in the week.

G. Personnel/City Clerk- No Report

H. Boards and Committees

South King County Transportation Board (SKTBD) Pierce County Regional Council (PCRC) – No report, no meeting in august. Pierce county adopted the MIC plan.
SCA – No Report
VRFA – No Report

6. ORDINANCES/RESOLUTIONS/PUBLIC HEARINGS

A. Ordinance 1806- Valentine Avenue LID

Jay Bennett read the Ordinance to the Council.

An Ordinance of the City of Pacific, Washington, ordering the construction of one additional lane on Valentine Avenue Southeast, from County Line Road to 16th Avenue East and related utility and streetscape improvements, all in accordance with Resolution No. 1083 of the City Council; establishing Local Improvement District No. 6; ordering the carrying out of the proposed improvements; providing that payment for the improvements be made in part by special assessments upon

the property in the District, payable by the mode of "payment by bonds"; and providing for the issuance and sale of local improvement district bonds.

Councilmember Jones moved to approve Ordinance No. 1806; Councilmember Hulsey second;

Council Comments:

Councilmember Putnam discussed the rate of the fund.

Public Comments:

Jim Markowich is against the formation. He is in favor of the old design. Cost is the issue. The state of the economy was discussed, the design, access issues, and the breakdown of the funding.

Charles Dietsch- 6840 112th Avenue SE, Newcastle-represents Tridelt.

Wants to move this forward. It has been 30 years and they are on the verge of working this out. "It is time to move it forward for development". UPS trucks will ruin the road. All the side traffic that uses it will ruin the road. "Time has come, plans in place lets go ahead and get it done".

	Aye	Nay
Councilmember Walker	X	
Councilmember Guier	X	
Councilmember McMahan	X	
Councilmember Putnam	X	
Councilmember Jones	X	
Councilmember Hulsey	X	
Councilmember Steiger	X	

THE MOTION CARRIED UNANIMOUSLY 7-0.

B. Ordinance No. 1807- An Ordinance Of The City Of Pacific, Washington Amending Pacific Municipal Code Chapter 2.36.040 Relating To Planning Commission Vacancies

Jay Bennett read the Ordinance to the Council.

It would be in the interest of efficiency and effectiveness for the City of Pacific to make certain amendments to Pacific Municipal Code (PMC) Subsection 2.36.040,

A. Vacancies in the planning commission which occur otherwise than through the expiration of terms shall be filled for the unexpired term by appointment through the mayor and confirmation by the city council. Members of the planning commission may be removed after public hearing by the mayor with the approval of the city council for inefficiency, neglect of duty or malfeasance in office. If a member of the planning commission absents himself for three consecutive regularly scheduled meetings thereof, unless by permission of the commission, such absence shall be deemed prima facie evidence of neglect of duty. Each member shall be selected without respect to political affiliations and shall serve without compensation.

B. Vacancies Due To Military Orders. The Mayor shall have the discretion to