

Committee: Operations Analyst: Heidi Beazizo

ECAF: 21-0421

Consideration

The Executive's Office requests Council consider approving proposed Ordinance 21-038 which would finalize a system of assessment for Diking District 2 pursuant to Chapter 85.38 RCW.

Background

Diking District No. 2 (District) was originally formed in 1905 under the authority of the 1895 Diking Districts Act, <u>Chapter 85.05 RCW</u>. The District includes approximately 400 acres in the county, bounded by Ebey Slough on the west, and Sunnyside Blvd. on the east. An additional 156 acres was annexed by the District in 2011 extending the boundary just south of US Route 2. Refer to the exhibit maps in the County Engineer's report for illustration.

In 1985, the state legislature under Chapter 85.38 RCW consolidated the procedures for the creation, elections, and operations of special purpose districts that provide diking, drainage, and flood control facilities and services. Pursuant to RCW 85.38.140, a special district in existence prior to July 28, 1985, may conform to the alternative optional method (RCW 85.38.140 through 85.38.170) by which special district budgets are adopted, special assessments are measured and imposed, rates and charges are fixed, and assessment zones established.

Under the provisions of RCW 85.38.200, the District annexed territory in February 2011 by way of Resolution No. 2011-02 and is now required to have the county develop a system of assessment as set forth in RCW 85.38.150 through 85.38.170. The County worked with District Commissioners to develop a proposed assessment method that intends to address the District's existing and future financing needs under the provisions of chapter 85.38 RCW.

The assessment method assesses on a per acre basis for all properties within the boundaries using multiple assessment zones according to the level of use or benefit accruing to each parcel. Ordinance 17-052¹ adopted this methodology on August 9, 2017 and per RCW, is required to be reviewed and approved by Council every four (4) years.

Current Proposal

Scope: Ordinance 21-038 requests Council's approval of the assessment rates for Diking District 2 as is required per RCW. The County Engineer has finalized the review of the system of assessment and provided a report with the ECAF.

Assessment Summary

¹ Public Hearings (granicus.com)

The assessment rates, expressed as amounts per \$1,000 of revenue raised by the District are proposed as follows:

Zone 1² acreage assessment (100% benefit) \$1.80 per acre³
Zone 2⁴ acreage assessment (0% benefit) \$0.00 per acre

Duration: This ordinance shall have a prospective effect and shall supersede the District's system of assessment last finalized by Snohomish County Ordinance 17-052 adopted on August 9, 2017.

Fiscal Implications: N/A (the system of assessment is sufficient to finance the adopted budget).

2021 Budget: YES.

Future Budget Impacts: YES.

Handling: NORMAL.

<u>Approved-as-to-form:</u> YES. **Risk Management:** APPROVE.

Executive Recommendation: APPROVE.

Analysis: This requested action is consistent with the requirements of RCW.

Attachments: NONE Amendments: NONE

Request: Move to GLS on July 21, 2021 for Council to consider scheduling a public hearing. Following receipt of public testimony, consider taking action on proposed ordinance 21-038 or provide other direction to staff.

² Zone 1 includes any parcels falling within the FEMA floodplain and receive the full benefit of the District operations and facilities.

³ The assessment rate approved in 2017 was \$1.794 per acre.

⁴ Zone 2 includes any parcels outside of the FEMA floodplain and receive no benefit of District operations or facilities.