

MEMORANDUM
For Meeting of December 9, 2008

TO: Mayor and Council Members
 THROUGH: Steve Worthington, City Manager
 FROM: Steve Marcotte, Finance Director
 SUBJECT: **Resolution 1258** – Segregation of ULID No. 98-2 Assessments in
 Plat of Radiance Division 4

REPORT IN BRIEF:

SSHI LLC (aka DR Horton) has submitted a written application to reallocate the local improvement district assessments on properties they own based on the projected number of individual lots at final build-out. This action is in preparation for the development and sale of final lots to future homeowners in the Plat of Radiance Division 4.

BACKGROUND:

On December 16, 2003 the City Council approved Ordinance No. 1509-03 confirming the final assessments for Local Improvement District No. 98-02. Section 35.44.410 of the *Revised Code of Washington* requires that any request for segregation of assessments be approved by council action.

DISCUSSION:

This action will proportionately redistribute original assessment amounts to final building lots. If the Council adopts Resolution 1258 a separate assessment lien will be recorded against each individual lot that will be enforceable by judicial foreclosure in the event that future annual installments are not paid in accordance with state law.

FISCAL IMPACT:

The sum of the combined assessment total will not change and the estimated market value of the properties is more than sufficient to cover any future delinquencies should foreclosure action ever be required. DR Horton has already paid the segregation fee.

RECOMMENDATIONS:

Staff recommends adoption of Resolution No. 1258 to authorize segregation of these assessments.



Steve Marcotte
 Finance Director



Approved for Agenda.
 Steve Worthington, City Manager

RESOLUTION NO. 1258

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FIFE, PIERCE COUNTY, WASHINGTON TO SEGREGATE AN EXISTING ASSESSMENT FOR THE FINAL PLAT OF RADIANCE DIVISION 4 UNDER UTILITY LOCAL IMPROVEMENT DISTRICT NO. 98-02, PURSUANT TO SECTION 35.44.410 OF THE REVISED CODE OF WASHINGTON

WHEREAS, the City of Fife has received written application, a copy of which is attached as Exhibit A, from the property owner of the final plat known as Radiance Division 4, to segregate existing assessments within Utility Local Improvement District No. 98-02 in accordance with Section 35.44.410 of the Revised Code of Washington; and

WHEREAS, the real property to be affected by this segregation action is described on the current assessment roll as accounts 982-101 and 982-102 of Utility Local Improvement District No. 98-02 and was identified in the records of the Pierce County Assessor as tax parcel numbers 042018-2-027 and 042018-2-029; and

WHEREAS, the combined assessment amount placed on these parcels is \$82,928.06, as confirmed and adopted in Ordinance No. 1509-03 on December 16, 2003, and the current outstanding principal balance excluding interest is \$64,500.14; and

WHEREAS, the Final Plat of Radiance Division 4, recorded under Pierce County Auditor's File No. 200803275001 divided tax parcel numbers 042018-2-027 and 042018-2-029 into 49 residential lots, and the new parcel configuration is shown in the Final Plat map attached hereto as Exhibit C; and

WHEREAS, such segregation will be made as nearly as possible on the same basis as the original assessment was levied, and the total of the segregated parts of the assessment shall equal the assessment before segregation; and

WHEREAS, all applicable segregation fees have been paid by the applicant; and

WHEREAS, this segregation will not jeopardize the security of the assessment lien or reduce the security for any outstanding local improvement district obligations payable from this assessment; now, therefore

THE CITY COUNCIL OF THE CITY OF FIFE RESOLVES AS FOLLOWS:

Section 1. The assessment account numbers 982-101 and 982-102 of Utility Local Improvement District No. 98-02, which were identified in the records of the Pierce County Assessor as tax parcel numbers 042018-2-027 and 042018-2-029, are hereby segregated into the assessment account numbers and assessment amounts as set forth in Exhibit B attached hereto. The boundaries of the divided parts are as set forth in the Final Plat map attached hereto as Exhibit C.

Section 2. Segregation shall result as nearly as possible in an equal assessment for each of the 49 individual building lots. The segregated assessment amounts for these new parcels shall total \$64,500.14, plus accrued interest, which is equal to the current outstanding principal assessment amount prior to segregation.

Section 3. The City Clerk-Treasurer is hereby ordered to make segregation on the original assessment roll of Utility Local Improvement District No. 98-02, as directed in this resolution.

ADOPTED by the City Council at an open public meeting held on the 9th day of December 2008.

Barry D. Johnson, Mayor

Attest:

Steve Marcotte, City Clerk/Treasurer